

NOTICE OF MEETING

CITY OF BRANSON



BOARD OF ALDERMEN

Luncheon – Thursday, January 6, 2011 – 12:00 p.m.
Administrative Conference Room – Branson City Hall – 110 W. Maddux
(MEAL ONLY)

Study Session– Thursday, January 6, 2011 – 12:30 p.m.
Municipal Courtroom – Branson City Hall – 110 W. Maddux

AGENDA

- 1) Call to Order.
- 2) Roll Call.
- 3) Administrator's Report.
- 4) Discussion of previous Study Session items.
- 5) Review of January 11, 2011 Agenda.
- 6) Discussion regarding 2011 Legislative Priorities.
[City of Branson] [Branson Chamber of Commerce]
- 7) Discussion with Preston Dunn, Jr. of In God We Trust ~ America, Inc.
- 8) Discussion with Dr. Lee McPheters regarding economic analysis of Branson Airport. [Powerpoint]
[Biographical Information of Dr. McPheters]
- 9) Discussion with Dr. Mike Hynes regarding the Branson Airport.
[Letter from Dr. Hynes] [Financial Analysis of Branson Airport, LLC.]
- 10) Mayor's Report.
- 11) Board of Aldermen requests for agenda items to be placed on future agendas.
- 12) Adjourn.

January 6, 2011

Study Session

Item 3

Keith Crawford

From: Keith Crawford
Sent: Tuesday, January 04, 2011 9:35 AM
To: Jim Lawson; Ronnie Bradley; Loretta McCullough
Subject: Code Enforcement Year-End Report
Attachments: Monthly Summary Report -- December 2010.pdf

Attached is the Code Enforcement status report for December and the entire year of 2010. I feel very positive about the numbers shown relative to the number of file closures and our success at getting conformance via verbal discussions and Courtesy Notices.

Keith Crawford
Code Enforcement Supervisor
Planning & Development
City of Branson

CODE ENFORCEMENT ACTIVITY REPORT: Year 2010

This document provides a synopsis of Code Enforcement activities for the month noted above and for the year 2010. Highlighted text are key performance indicators for the year.

Table 1 provides a general overview of code enforcement file activity for the year. As can be seen, 501 complaint files had been opened in 2010, of which 486 have been resolved and closed, for a closure rate of 97% for the year. For files that are closed, it took an average of 18 days to close the files. When we count every file opened since the beginning of this year, including all currently closed files and those that remain open, the average open time is 22 days. It should be noted that the impact of weed issues adds a minimum of 10 days to the open time of the file. This is due to the required notification and wait times; if City mowing is needed, this open time will be even greater. Of the total files, 91% were found to be actual violations; this remained consistent during the year. Of all files opened, 76% were initiated by Code Enforcement. Also, 2 open files have no due dates because there is some situation that has placed these on hold. Under the category of "Files Being Monitored / Not Active" there are 5 properties being monitored. These properties are currently in compliance with code, but it has been decided them for a period of time because of their history. They do not count against the number of open files or impact the average days open statistic.

TABLE 1

CODE ENFORCEMENT General Statistics (2010)

Total 2010 Files	501	
Open Files (all)	15	
Average Days Open	21.9	(of all files)
Closed Files	486	
Average Days to Close	18	
Minimum Days to Close	0	
Maximum Days to Close	238	
Violations	454	
Violation % of Total	91%	
Files Requiring Initial Investigation	8	
Total Open Responses / Actions	3	
Due / Overdue Responses	9	
Open - No Due Date	2	
Files Being Monitored / Not Active	5	
Origin of Complaint:		
Citizen Service Request	15	
Phone, Email, In-Person	107	
Code Enforcement	379	

CODE ENFORCEMENT ACTIVITY REPORT: Year 2010

Table 2 provides a breakdown of all violations by type of violation and how many have been opened and how many closed for the year. Signs / banners were the top problem for the year. Weeds were a close second.

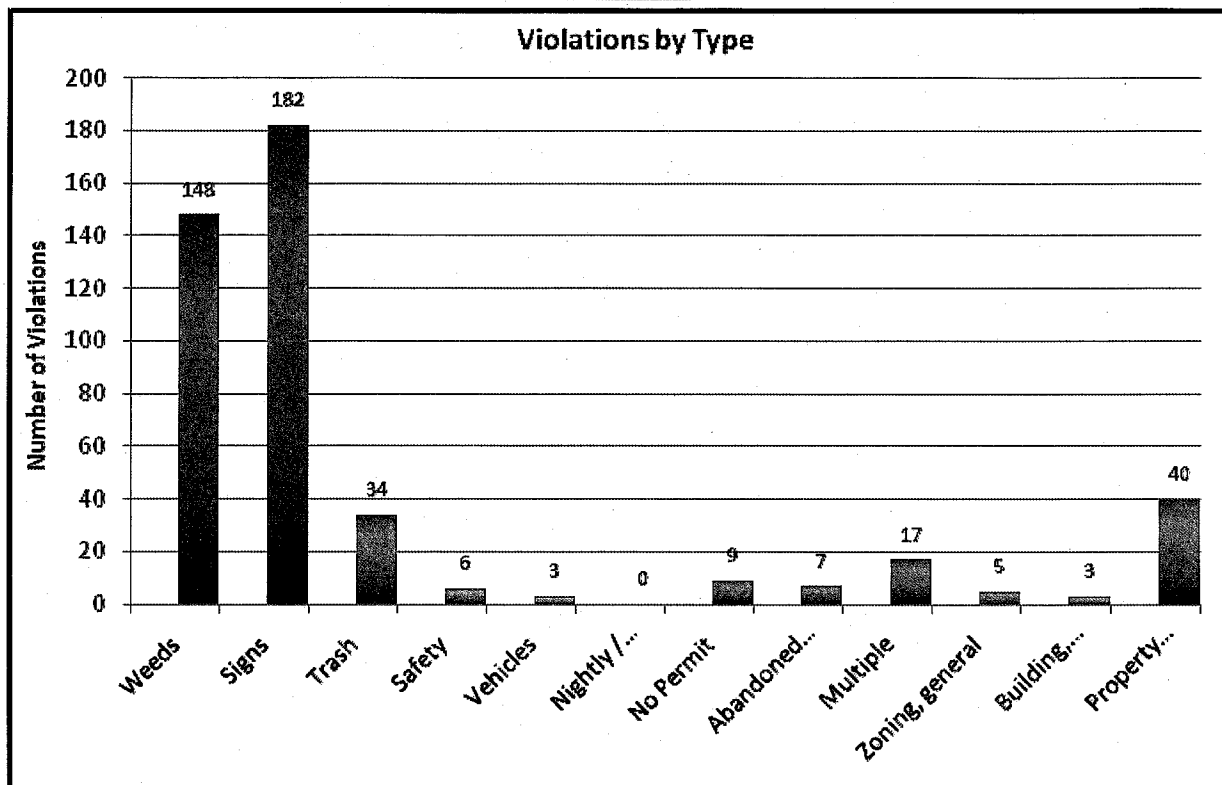
TABLE 2

Year-to-Date Violations		Year-to-Date	
Violation		Opened	Closed
Weeds		148	148
Signs		182	180
Trash		34	34
Safety		6	5
Vehicles		3	3
Nightly / Weekly Rental		0	0
No Permit		9	9
Abandoned House		7	7
Multiple		17	15
Zoning, general		5	5
Building, general		3	2
Property Maint., general		40	32
TOTALS		454	440

CODE ENFORCEMENT ACTIVITY REPORT: Year 2010

Figure 1 is a graphical representation of the data shown in Table 2 above. This chart clearly shows the differences in magnitude between the types of violations we encounter and the magnitude of weeds and signage issues relative to all other types of investigations performed..

FIGURE 1



CODE ENFORCEMENT ACTIVITY REPORT: Year 2010

Table 3 lists the distribution of issues as reported (i.e., files opened) by type and month, and before any investigation has been performed to determine if they are or are not violations.

TABLE 3

Reported Violations by

Type and Month	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Weeds				24	46	35	25	14	8	4			156
Signs	1		6	13	12	25	33	38	27	24	11	9	199
Trash	3	8	9	1	1	2	7	4	6	3			44
Safety	1			1			1	2		1			6
Vehicles		1	2										3
Nightly / Weekly Rental		1											1
No Permit	1		4			1	1		4		2		13
Abandon House		1	2	1				3					7
Multiple			1	4	3	3	2	1	2			1	17
Zoning, general				3	1		2		1			1	8
Building, general			1	1		1	1						4
Property Maint., general			3	2	4	7	7	8	6	3	2	1	43
Total Complaints	6	11	28	50	67	74	79	70	54	35	15	12	501

Table 4 gives a monthly breakdown of issues after the initial investigation has been completed. These are the issues that have been confirmed to be actual violations.

TABLE 4

Confirmed Violations by

Type and Month	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Weeds				24	45	31	23	14	8	3			148
Signs	1		5	13	11	25	30	36	27	15	11	8	182
Trash	2	5	9	1		1	5	3	6	2			34
Safety	1			1			1	2		1			6
Vehicles		1	2										3
Nightly / Weekly Rental													0
No Permit			4			1	1		2		1		9
Abandon House		1	2	1				3					7
Multiple			1	4	3	3	2	1	2			1	17
Zoning, general				1			2		1			1	5
Building, general				1		1	1						3
Property Maint., general			2	2	4	7	6	7	6	3	2	1	40
Total Violations	4	7	25	48	63	69	71	66	52	24	14	11	454

CODE ENFORCEMENT ACTIVITY REPORT: Year 2010

Figure 2 below shows the number of opened and closed each month. With the decrease in new files being opened (blue bars) we have been able to devote more time to closing other files and staying current.

FIGURE 2

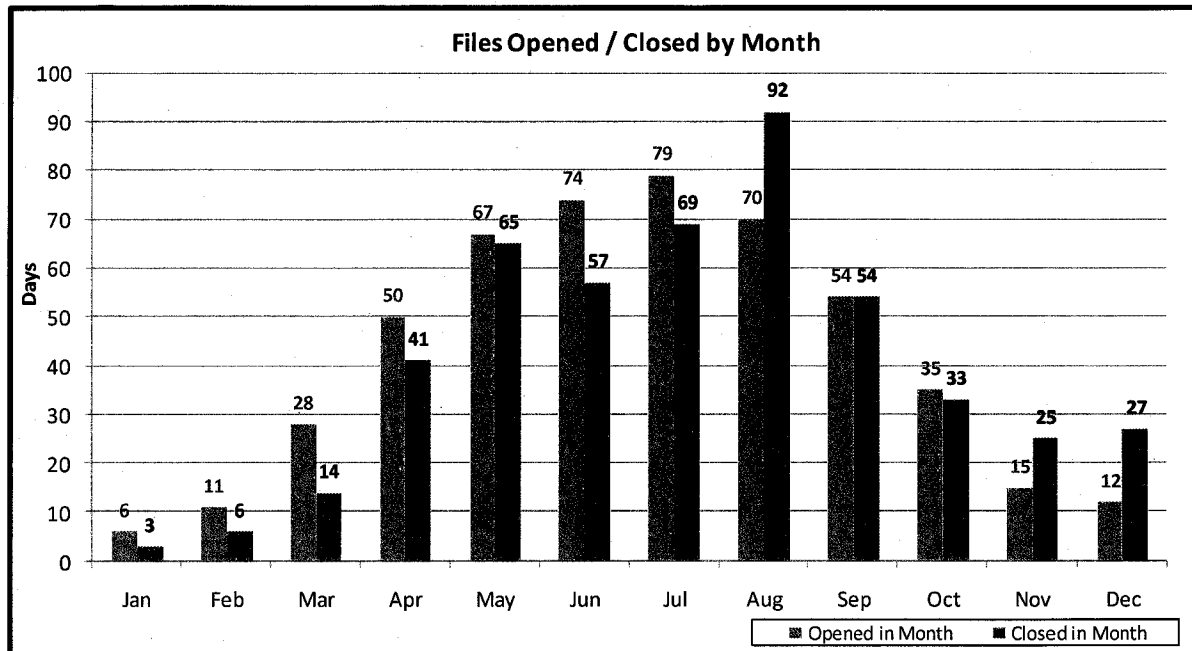
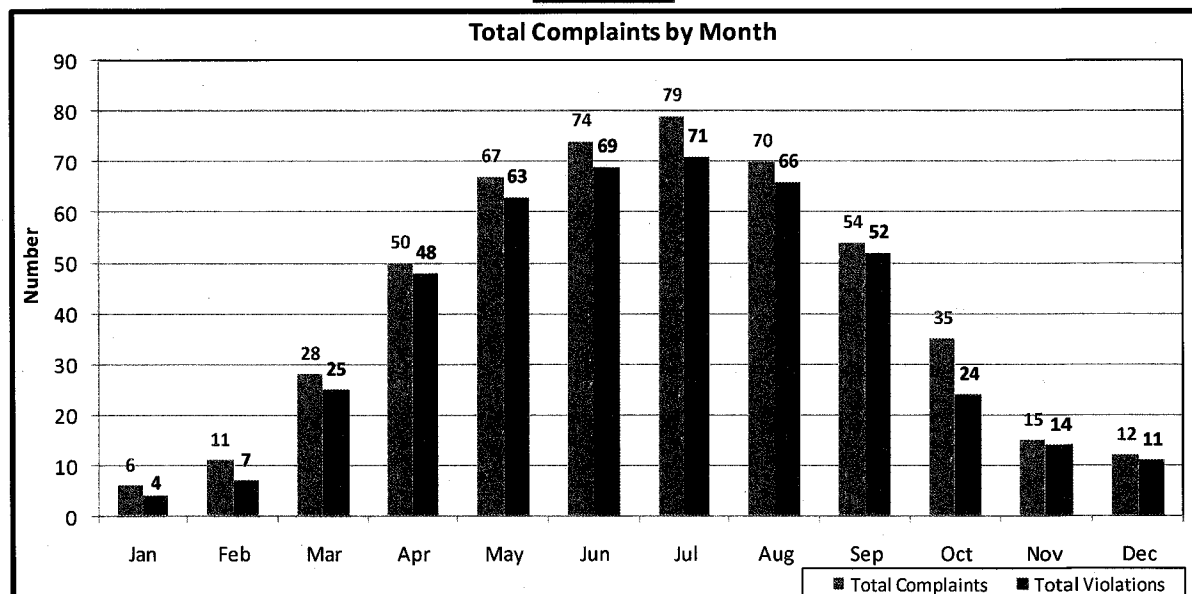


Figure 3 shows the monthly comparison of reported complaints to actual violations. The difference has been consistent, with better than 90% of all reports being actual violations.

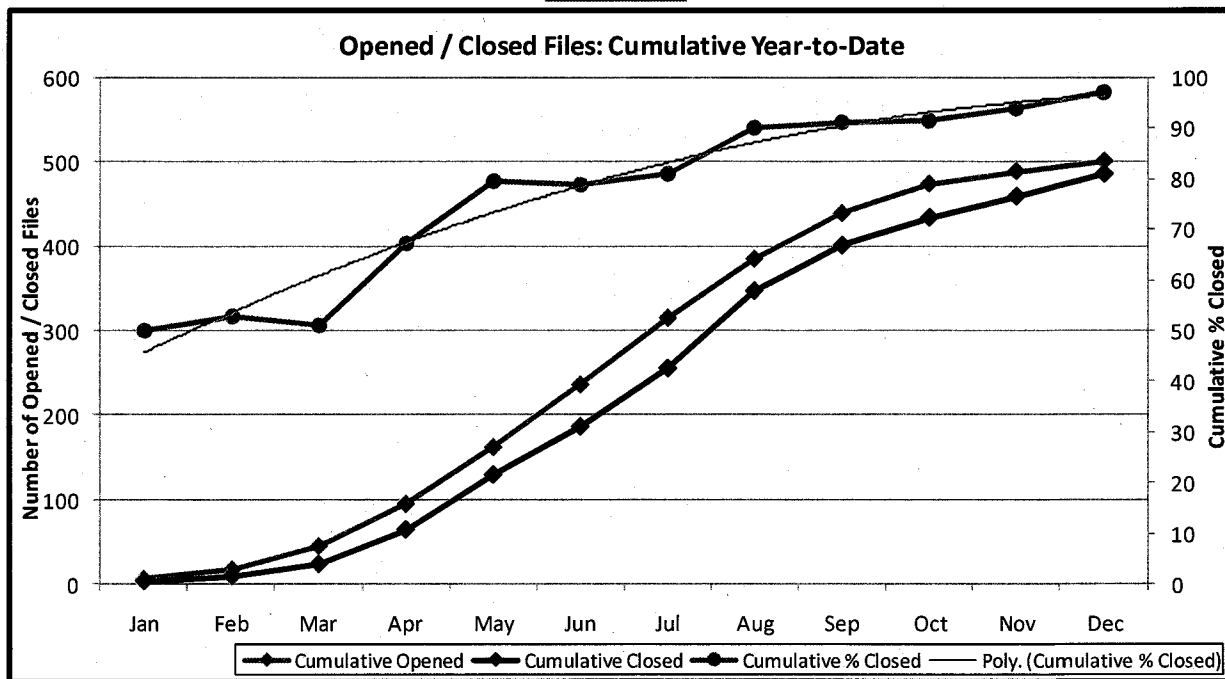
FIGURE 3



CODE ENFORCEMENT ACTIVITY REPORT: Year 2010

Figure 4 shows the cumulative number of files opened and closed (blue and red lines, respectively) as a way to show the growth in workload through the year. The green line is the cumulative percent closed, showing peaks and dips based on variations in workload during each month. Ideally, this line would reach 100% by the last day of the year indicating that all files opened in 2010 were closed in 2010. The black line is a 1st degree polynomial extrapolation of the cumulative percent closed (i.e., curve fit).

FIGURE 4

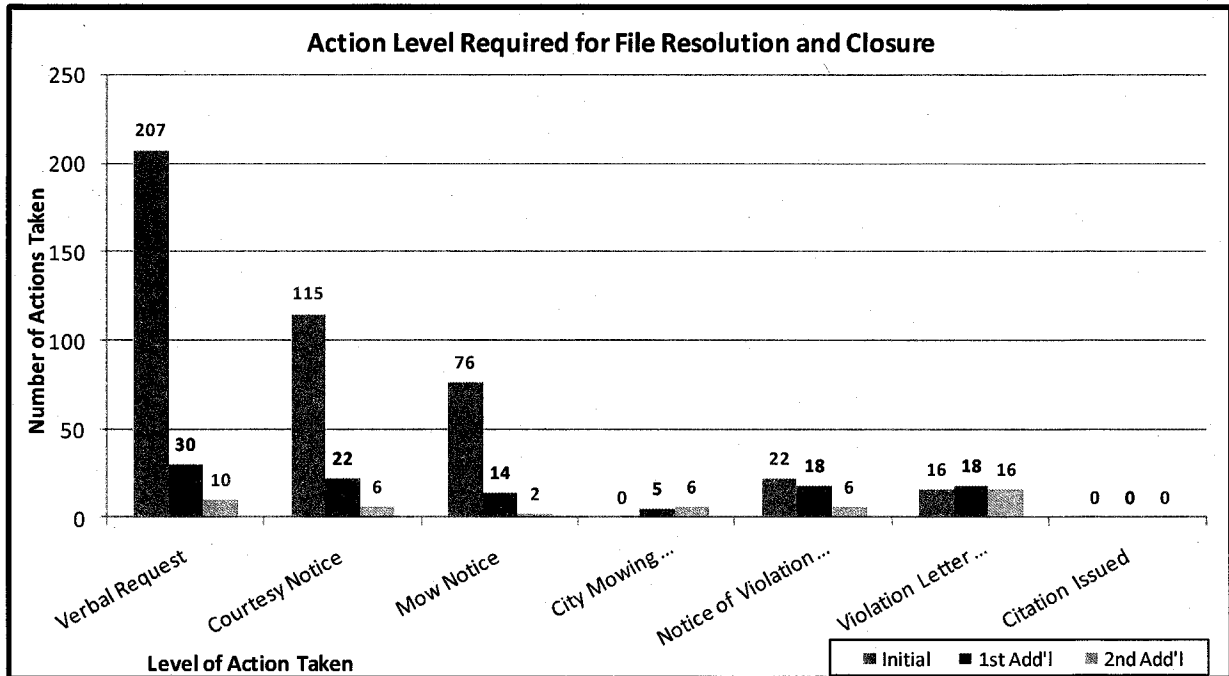


CODE ENFORCEMENT ACTIVITY REPORT: Year 2010

Figures 5 and 6 give a breakdown of the level Code Enforcement actions needed to resolve issues (i.e., verbal courtesy notice, written courtesy notice, notice of violation, letter of violation, and citation) relative to the number of contacts or interactions with the property owner/occupant needed to get resolution. These data are quite informative and significant; as follows:

- (1) excluding mow notices, 48% of our actions taken are verbal requests, 32% are written Courtesy Notices, 20% are violation notices or letters, and 0% are citations; therefore, 80% of Code Enforcement activities are handled using a "work together / friendly" approach versus a "heavy handed" approach
- (2) we achieve 84% of file closures as a result of our initial action with the property owner, and this includes the cutting of weeds

Figure 5



CODE ENFORCEMENT ACTIVITY REPORT: Year 2010

Figure 6

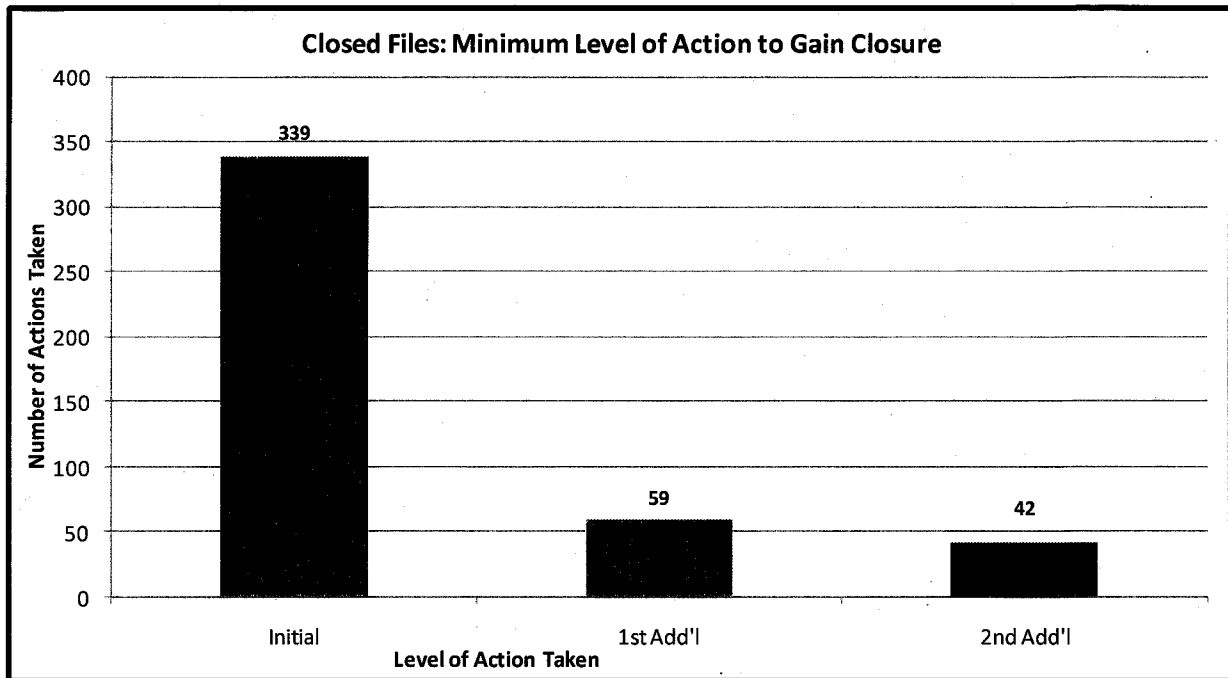


Table 5 shows the mow contractor activity for 2010. All property owners have been invoiced for the mowing costs and two payments have been received.

TABLE 5

Mow Contractor Invoicing - 2010

Billed To-Date=\$1,242.50

Unpaid Balance=\$930.00

							Payments Received				
File Number	Location / Address	Invoice Number	Invoice Date	Invoice Amount	Admin Fee	Total Due	Payment 1	Payment Date 1	Payment 2	Payment Date 2	Unpaid Balance
0056	706 2nd St.	388	5/5/2010	75.00	50.00	125.00					125.00
0073	Fall Creek & Hwy. 76	388	5/14/2010	65.00	50.00	115.00	115.00	10/21/2010			0.00
0136	483 Caudill Way	407	7/21/2010	35.00	50.00	85.00					85.00
0184	1425 W STATE HWY 76	406	7/21/2010	147.50	50.00	197.50	197.50	10/21/2010			0.00
0201	GRETNA RD	434	12/13/2010	50.00	50.00	100.00					100.00
0253	706 S. 2nd St.	408	7/21/2010	90.00	50.00	140.00					140.00
0254	4783 Fall Creek Rd.	435	12/13/2010	90.00	50.00	140.00					140.00
0295	151 Garner Dr.	436	12/13/2010	90.00	50.00	140.00					140.00
0307	W STATE HWY 76	433	12/13/2010	50.00	50.00	100.00					100.00
0324	220 S STATE HWY 165		pending								
0429	Gretna Rd.	432	12/13/2010	50.00	50.00	100.00					100.00

PREVIOUS ITEMS DISCUSSED AT STUDY SESSIONS

- 1) ~~Discussion regarding the Dangerous Building and Nuisance Code changes.~~ (Final Reading scheduled for the January 11, 2011 Regular Board of Aldermen meeting)
- 2) Discussion regarding signs, outside merchandise and false advertising.
- 3) ~~Review of Tri-State Utilities.~~ (First Reading scheduled for the January 11, 2011 Regular Board of Aldermen meeting)
- 4) ~~Review of EPC Energy Performance Contract.~~ (First Reading tentatively scheduled for the January 25, 2011 Board of Aldermen meeting)
- 5) ~~Discussion regarding 2011 Legislative Priorities.~~ (January 6, 2011 Study Session)

**BRANSON BOARD OF ALDERMEN
AGENDA**

January 11, 2011

7:00 p.m.

Meeting Called to Order
Pledge of Allegiance
Invocation – Carl Sparks
Roll Call

Employee of the Month – Charlie Earnhardt of the Parks and Recreation Department to be presented by Alderman Cris Bohinc.

PUBLIC COMMENT:

To speak during public comment, please sign the speaker sign-up sheet located at the front door of the council chambers prior to the start of the meeting.

CONSENT AGENDA:

- 1) Approval of Board of Aldermen Minutes:
 - a) December 9, 2010 Study Session
 - b) December 14, 2010 Regular Meeting
- 2) Acknowledge Receipt of Minutes:
 - a) Tree Board meeting of October 13, 2010
- 3) Final Reading of Bill No. 3877 amending the adopted 2011 Budget for the City of Branson, to adjust monies for the General Fund and authorizing the Mayor to execute the same.
- 4) Final Reading of Bill No. 3878 amending Chapter 86 of the Branson Municipal Code pertaining to emergency and experimental regulations.
- 5) Final Reading of Bill No. 3879 authorizing the Mayor to execute an amendment to the Professional Engineering Services Agreement with Delich, Roth, & Goodwillie, P.A. pertaining to the design of the Route 248 at US 65 Diverging Diamond Interchange Project and authorizing the Mayor to enter into the agreement.
- 6) Final Reading of Bill No. 3880 amending Chapter 22 of the Branson Municipal Code pertaining to dangerous buildings.
- 7) Final Reading of Bill No. 3881 amending Chapter 58 of the Branson Municipal Code pertaining to nuisance.

- 8) **Final Reading of Bill No. 3882 amending Chapter 58 of the Branson Municipal Code pertaining to graffiti.**
- 9) **Final Reading of Bill No. 3883 amending Chapter 34 of the Branson Municipal Code pertaining to administrative search warrants.**
- 10) **Final Reading of Bill No. 3884 amending Chapter 58 of the Branson Municipal Code pertaining to offenses against property.**
- 11) **Final Reading of Bill No. 3885 amending Chapter 10 of the Branson Municipal Code pertaining to public nuisances.**
- 12) **Final Reading of Bill No. 3886 amending Chapter 26 of the Branson Municipal Code pertaining to inspections.**
- 13) **Final Reading of Bill No. 3887 amending Chapter 22 of the Branson Municipal Code pertaining to International Property Maintenance Code.**
- 14) **Final Reading of Bill No. 3888 amending Chapter 38 of the Branson Municipal Code pertaining to International Fire Code.**
- 15) **Final Reading of Bill No. 3889 amending Chapter 46 of the Branson Municipal Code pertaining to public health and sanitation.**
- 16) **Final Reading of Bill No. 3890 amending Chapter 86 of the Branson Municipal Code pertaining to vehicles.**

REGULAR:

- 17) **Final Reading of Bill No. 3868 accepting the proposal of F2 Industries, LLC for the purchase of Potassium Permanganate and Granular Chlorine used in the water and wastewater treatment facilities and authorizing the Mayor to execute the contract.**
- 18) **Public Hearing and First Reading of Bill No. 3891 approving the annexation of property located at 412 Owen Lane.**
- 19) **Public Hearing and First Reading of Bill No. 3892 approving the annexation of property located at 101 Covered Bridge Drive.**
- 20) **First Reading of Bill No. 3893 approving an agreement with Tri-States Utility for sewer billing services of city sewer customers connected to Tri-States Utility Water System and authorizing the Mayor to execute the contract.**

BID AWARDS:

- 21) **First Reading of Bill No. 3894 accepting the proposal of Tri-Lakes Ford pertaining to the purchase of vehicles for the Police Department and authorizing the mayor to execute the contract.**
- 22) **First Reading of Bill No. 3895 accepting the proposal of Brenntag Mid South, Inc. for potassium permanganate used in the water and wastewater treatment facilities and authorizing the Mayor to execute the contract.**
- 23) **First Reading of Bill No. 3896 accepting the proposal of Custom Products Corporation pertaining to signage supplies and authorizing the Mayor to execute the contract.**
- 24) **First Reading of Bill No. 3897 accepting the proposal of Ibis Tek Apparel LLC. pertaining to signage supplies and authorizing the Mayor to execute the contract.**
- 25) **First Reading of Bill No. 3898 accepting the proposal of Key Equipment & Supply Co. pertaining to an Elgin Pelican Street Sweeper and authorizing the Mayor to execute the contract.**

RESOLUTIONS:

- 26) **A Resolution consenting to Assignment of Lease and Deed Trust of Leasehold Estate and Security Agreement by Recreational Investments and Management, Inc. to Ozark Mountain Bank and authorizing the Mayor to execute same.**
- 27) **A Resolution approving City of Branson's Blue Access PPO Health Insurance Summary of Benefits.**

DISBURSEMENTS:

- 28) **Disbursements.**

MAYOR/CITY ALDERMEN/CITY ADMINISTRATOR'S REPORTS

ADJOURN INTO EXECUTIVE SESSION

Closed Executive Session pursuant to 610.021.1 RSMo for litigation.

ADJOURN



2011 Branson Legislative Agenda

Prior to the start of Missouri legislative sessions each January, the Branson Board of Aldermen create a list of legislative priorities that state issues Branson has historically supported, including positions identified by the Missouri Municipal League, positions advocated in this year's Branson/Lakes Area Legislative Partnership and positions generated by input from city staff. As new issues arise during the legislative session, the city will maintain ongoing dialogue and regular updates, so that public positions stay consistent with the Board of Aldermen's intent.

Development

Branson supports bills regarding making Missouri "data center friendly."

Branson supports both federal and state legislative initiatives that upwardly adjust the income guidelines establishing qualification thresholds for subsidized workforce housing.

Uncontrolled development at the unincorporated fringes of cities is detrimental to health, safety and orderly urban development. Branson supports legislation that would give cities the ability to exercise the extraterritorial powers of planning, zoning, enforcement of building codes and regulation of subdivisions within adjacent unincorporated areas.

Branson opposes any legislation that restricts the ability of a municipality to extend municipal services into newly annexed areas.

Branson opposes any legislation that restricts municipalities' abilities to impose franchise or user fees for the use of the municipalities' right-of-ways.

Branson supports legislation that provides funding for state agencies to work in conjunction with Missouri cities as well as private and not-for-profit organizations to address the areas of affordable housing.

Branson opposes the legalization of casino gaming in southwest Missouri.

We support legislation allowing cities to annex "islands," which are properties inside a city's limits and surrounded by city property on all sides. Cities need the ability to annex islands after proper notification and majority approval by city council.

Environment

Branson supports equitable funding for the Missouri Department of Natural Resources to ensure the protection and safety of our precious waterways and natural resources.

Branson opposes any regulatory changes by the Department of Natural Resources that would encourage the development of subdivisions with separate sewer systems built adjacent to a municipal system.

Local Control

Branson opposes any reduction of local regulatory authority over developers.

Branson opposes legislation that would interfere with municipal authority to determine personnel or merit system rules and regulations.

Branson supports Missouri's current meet-and-confer law for public employees, and therefore opposes any attempt to legislate a mandatory collective bargaining law. We believe the power to set wages and other terms and conditions of employment for local government employees must rest with elected representatives and should not be delegated to third party arbitrators or the courts.

Branson opposes any legislation that will increase costs to cities (unfunded mandates).

We support an increase in the maximum municipal court penalty for fourth class cities. It is currently \$500 and/or 90 days in Jail. We feel increasing the maximum fine to \$2,000 would be appropriate.

We would like language for RSMo 67.410 to be similar to that of RSMo 67.398 regarding property maintenance.

We support the exclusion of punitive and exemplary damages in certain claims against public entities, their officials or employees in certain circumstances.

Sales Tax

Branson opposes state-mandated sales tax holidays that do not provide a local decision on participation or nonparticipation in the holiday. Furthermore, we support a change in state law that would allow cities and counties to choose on opting into the tax holiday rather than opting out.

Branson will closely monitor any legislation affecting sales tax or sales tax exemptions that would adversely impact city sales tax collections.

Branson supports the taxing of cell phone use for the purpose of funding 9-1-1 centers and local control for communication centers

Branson supports legislation that would encourage the collection of Internet sales taxes.

Branson opposes the use of a higher sales tax rate to replace the corporate and individual income taxes (Fair Tax).

We support strengthening legislation that prohibits theaters and other ticketed attractions from creating their own LLC to be ticket resellers to avoid paying sales taxes.

Tourism

Branson supports appropriate funding for the Missouri Division of Tourism marketing budget.

We support the current tax credit given to the Missouri Film Commission

Transportation

Branson supports state and federal efforts to keep pace with pressing statewide transportation needs, especially by accelerating the construction of projects when local communities are willing to assist with the financing of road improvements.

Health

Branson supports increasing the core function funding in the state budget for local public health agencies.

Branson supports increased access to health care for all Missourians through Healthnet expansion for those who demonstrate a financial need and who qualify.

We support state funding for alcohol enforcement programs.

***Branson/Lakes Area Legislative Partnership
2011 Legislative Priorities***

- We support authorization for any additional statutory or legislative funding for the Division of Tourism.
- We propose legislation specific to our area on P & Z that would relieve the repetitious, expensive, continuous ballots on planning and zoning in Stone County. This would be accomplished by increasing signatures by a percentage at each election and/or having the initiators pay the cost of elections after the 2nd election in one year.
- We oppose the repeal of the income tax and its replacement with a state sales tax (Fair Tax).

January 6, 2011

Study Session

Item 7



Our Mission:

**To Promote Patriotism
By Encouraging Elected City Officials
To Display Our National Motto, "In God We Trust"
In Every City Hall in America**

Board of Directors

President

Jacque Sullivan
Bakersfield
Councilmember

Secretary

Mark Abernathy
Western Pacific Research, Inc.

Treasurer

Larry Moxley
Moxley Moxley
International

Advisory Board

Don Clark
Former News Anchor
CBS Bakersfield

Holly Culhane, SPHR
P*A*S Associates

Tina Miller
Business Owner

Paul Neufeld
Wasco Councilmember
Building Contractor

Pedro Rios
Delano Councilmember
Educator

Cheryl Rhodes
Educator

Dan Schaffer
KAXL Radio

Dave Voss
Jesus Shack

Tom Watkins
Bakersfield Family
Medical Center

Dear Honorable Mayor and Council Members,

The United States of America has much to celebrate. The freedoms we prize were won through enormous pain and sacrifice and are perpetuated through tremendous courage and vision. Now, to help preserve and protect the best of all that America stands for, a volunteer organization, **In God We Trust – America, Inc.**, has been organized and headquartered in Bakersfield, California. Our mission is to encourage each city in our nation to join in prominently and permanently displaying our national motto, "**In God We Trust**," in every City Hall throughout our great state and across America.

"**In God We Trust**" became our national motto when approved by Congress on July 30, 1956 after the United States led the world through the trauma of World War II. The words have been used on U.S. currency since 1864. The same inspiring slogan is engraved above the entrance to the U.S. Senate Chamber and above the Speaker's dais in the House of Representatives. In both war and peace, these words have been a profound source of strength and guidance to many generations of Americans.

In February of 2002, the Bakersfield City Council officially voted "Yes" to display our national motto, "**In God We Trust**," in their City Hall. These historic words are now prominently displayed in their council chambers and arched above their city seal. To date, a growing number of cities and towns across America are taking similar official action and voting, "Yes" to display our National Motto. We encourage every province across this great land to do the same!

Will You Join Us?

In God We Trust – America, Inc., has received a significant letter from the President of the Pacific Justice Institute, a non-profit group based in Sacramento, who defends cases threatening our religious liberties and our nation's religious heritage. They are commending our organization for promoting the national motto and assure us that "under applicable case law, such recognitions are clearly constitutional." Should any government entity receive legal threats, the Pacific Justice Institute would be honored to defend them at no charge in state or federal court.

Our volunteer organization, **In God We Trust – America, Inc.**, is incorporated with non-profit 501c3 status. We are available to assist you, as a civic leader, with whatever is needed to aid in your participation to approve displaying our nation's motto in your own city hall. As president/Founder of our organization, I will be honored to assist you in any way possible. You may contact me directly at (661) 834-4943 or email at: jacquesullivan@ingodwetrust-america.org.

**May God bless America, and may
America's trust always be in God.**

Sincerely,

Jacque Sullivan
City Councilmember: Bakersfield, CA
In God We Trust – America, Inc.
President/Founder

IN GOD WE TRUST - AMERICA, INC.

P.O. Box 11715 • Bakersfield, CA 93389-1715 • (661) 834-4943
Email: jacquesullivan@ingodwetrust-america.org • Website: ingodwetrust-america.org
A Non-profit 501c3 educational corporation ID#2624857

(sample resolution)

City of _____

IN GOD WE TRUST

RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF _____, in _____ COUNTY, STATE of _____, SUPPORTING THE DISPLAY OF THE NATIONAL MOTTO "IN GOD WE TRUST" IN THE _____ COUNCIL CHAMBERS IN A PROMINENT LOCATION ABOVE THE SEAL.

WHEREAS, "God We Trust" became the United States national motto on July 30, 1956, shortly after our nation led the world through the trauma of World War and

WHEREAS, the words have been used on U.S. currency since 1864; and

WHEREAS, the same inspiring slogan is engraved above the entrance to the Senate Chamber as well as above the Speaker's dais in the House of Representatives; and

WHEREAS, in both war and peace, these words have been a profound source of strength and guidance to many generations of Americans; and

WHEREAS, the City desires to display this patriotic motto in the Council Chambers as a way to solemnize public occasions and express confidence in our society.

NOW, THEREFORE, BE IT RESOLVED the City Council of the City of _____ does hereby resolve as follows:

Section 1. That the City Council of the City of _____ (and State), does hereby determine that the historic and patriotic words of our national motto, "In God We Trust," shall be permanently and prominently displayed in the _____ Council Chambers at City Hall.

Section 2. The City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

PASSED, APPROVED AND ADOPTED at a regular meeting of the City Council of the City of _____, _____ (State), held on the ____ day of _____, _____ (year).

Add names and signatures of Mayor and Councilmembers.



In God We Trust ~ America, Inc.

"YES VOTE" CITIES ACROSS AMERICA – THAT APPROVED DISPLAY OF OUR NATIONAL
MOTTO IN THEIR CITY HALLS.

146 – Total # of "Yes Vote" cities across America

State of Arkansas



	<i>State</i>	<i>City</i>	<i>County</i>	<i>Date Approved</i>
1	Arkansas	Alpena	Boone	9/6/2010
2	Arkansas	Ash Flat	Sharp	5/17/2010
3	Arkansas	Avoca	Benton	5/31/2010
4	Arkansas	Bald Knob	White	10/4/2010
5	Arkansas	Bay	Craighead	8/9/2010
6	Arkansas	Blytheville	Mississippi	10/20/2009
7	Arkansas	Bono	Craighead	8/17/2010
8	Arkansas	Brookland	Craighead	9/14/2010
9	Arkansas	Burdette	Mississippi	10/26/2009
10	Arkansas	Caddo Valley	Clark	8/19/2010
11	Arkansas	Calico Rock	Izard	9/13/2010
12	Arkansas	Caraway	Craighead	8/12/2010
13	Arkansas	Cave City	Sharp	9/28/2010
14	Arkansas	Cherokee Village	Sharp & Fulton	9/1/2010
15	Arkansas	Clarendon	Monroe	9/7/2010
16	Arkansas	Clinton	Van Buren	9/14/2010
17	Arkansas	Crossett	Ashely	2000
18	Arkansas	Dardanelle	Yell	10/4/2010
19	Arkansas	DeQueen	Sevier	9/21/2010
20	Arkansas	El Dorado	Union	1991
21	Arkansas	Etowah	Mississippi	9/21/2010
22	Arkansas	Fairfield Bay	Van Buren	1995
23	Arkansas	Gosnell	Mississippi	11/10/2009
24	Arkansas	Greenwood	Sebastian	2001
25	Arkansas	Hampton	Calhoun	9/13/2010
26	Arkansas	Hardy	Sharp	9/7/2010
27	Arkansas	Harrell	Calhoun	8/17/2010
28	Arkansas	Hazen	Prairie	9/16/2010
29	Arkansas	Higginson	White	6/7/2010
30	Arkansas	Highland	Sharp	9/15/2010
31	Arkansas	Horseshoe Bend	Izard	5/19/2010
32	Arkansas	Hoxie	Lawrence	10/12/2010
33	Arkansas	Huntsville	Madison	9/15/2010
34	Arkansas	Jacksonport	Jackson	7/20/2010
35	Arkansas	Jasper	Newton	1993
36	Arkansas	Keiser	Mississippi	8/23/2010

37	Arkansas	Lake City	Craighead	8/16/2010
38	Arkansas	Leachville	Mississippi	10/11/2010
39	Arkansas	Letona	White	7/6/2010
40	Arkansas	Little Flock	Benton	10/11/2010
41	Arkansas	Lowell	Benton	9/21/2010
42	Arkansas	Morrilton	Conway	9/13/2010
43	Arkansas	Mountain Home	Baxter	8/17/2010
44	Arkansas	Mountain View	Stone	9/7/2010
45	Arkansas	Norfork	Baxter	9/21/2010
46	Arkansas	Ola	Yell	10/11/2010
47	Arkansas	Osceola	Mississippi	11/16/2009
48	Arkansas	Palestine	St. Francis	9/14/2010
49	Arkansas	Pineville	Izard	8/24/2010
50	Arkansas	Rison	Cleveland	10/12/2010
51	Arkansas	Rockport	Hot Spring	9/14/2010
52	Arkansas	Russellville	Pope	9/16/2010
53	Arkansas	Salesville	Baxter	10/11/2010
54	Arkansas	Searcy	White	8/10/2010
55	Arkansas	Stuttgart	Arkansas	9/7/2010
56	Arkansas	Tull	Grant	8/2/2010
57	Arkansas	Tyronza	Poinsett	10/12/2010
58	Arkansas	Waldenburg	Poinsett	10/19/2010
59	Arkansas	Waldron	Scott	8/10/2010
60	Arkansas	Weiner	Poinsett	9/14/2010
61	Arkansas	Western Grove	Newton	8/2/2010
62	Arkansas	Wrightsville	Pulaski	10/5/2010

Arkansas "Yes Vote" Cities - 62

State of California



	<i>State</i>	<i>City</i>	<i>County</i>	<i>Date Approved</i>
1	California	Adelanto	San Bernardino	10/8/2008
2	California	Anderson	Shasta	10/1/2005
3	California	Artesia	Los Angeles	2/13/2006
4	California	Arvin	Kern	7/12/2005
5	California	Bakersfield	Kern	2/20/2002
6	California	Barstow	San Bernardino	1/5/2009
7	California	Biggs	Butte	5/17/2010
8	California	Brawley	Imperial	7/21/2009
9	California	Brea	Orange	10/20/2009
10	California	Buena Park	Orange	2/24/2009
11	California	California City	Kern	7/19/2005
12	California	Carson	Los Angeles	4/4/2006
13	California	Chino	San Bernardino	May-2009
14	California	Chino Hills	San Bernardino	9/14/2010
15	California	Compton	Los Angeles	7/10/2007
16	California	Costa Mesa	Orange	11/17/2009

17	California	Cypress	Orange	2/11/2008
18	California	Delano	Kern	7/15/2002
19	California	Doris	Siskiyou	10/20/2008
20	California	El Centro	Imperial	9/4/2008
21	California	Fortuna	Humboldt	10/5/2009
22	California	Fountain Valley	Orange	9/16/2008
23	California	Gridley	Butte	12/15/2008
24	California	Hawthorne	Los Angeles	2/28/2006
25	California	Highland	San Bernardino	9/9/2008
26	California	Holtville	Imperial	7/12/2010
27	California	Hughson	Stanislaus	12/11/2006
28	California	Huntington Beach	Orange	4/7/2008
29	California	Imperial	Imperial	9/17/2008
30	California	Irwindale	Los Angeles	6/9/2010
31	California	Kerman	Fresno	2/21/2007
32	California	Lancaster	Los Angeles	5/13/2008
33	California	Lathrop	San Joaquin	11/3/2009
34	California	Lemoore	Kings	9/16/2008
35	California	Lodi	San Joaquin	4/5/2006
36	California	Lompoc	Santa Barbara	10/7/2008
37	California	Los Alamitos	Orange	6/20/2008
38	California	Lynwood	Los Angeles	3/16/2010
39	California	Maricopa	Kern	7/27/2005
40	California	McFarland	Kern	6/9/2005
41	California	Mission Viejo	Orange	3/17/2008
42	California	Oakley	Contra Costa	7/9/2007
43	California	Oceanside	San Diego	10/26/2002
44	California	Ontario	San Bernardino	5/31/2010
45	California	Orange Cove	Fresno	4/8/2009
46	California	Paso Robles	San Luis Obispo	7/5/2006
47	California	Plymouth	Amador	2/9/2006
48	California	Porterville	Tulare	9/3/2002
49	California	Rancho Santa Margarita	Orange	11/12/2008
50	California	Reedley	Fresno	2/24/2009
51	California	Ridgecrest	Kern	4/2/2005
52	California	Rio Del	Humboldt	11/03/2009
53	California	San Clemente	Orange	3/18/2008
54	California	Santa Clarita	Los Angeles	5/12/2009
55	California	Seal Beach	Orange	2/23/2009
56	California	Selma	Fresno	11/3/2008
57	California	Shafter	Kern	7/19/2005
58	California	Shasta Lake	Shasta	7/21/2009
59	California	Soledad	Monterey	5/5/2010
60	California	Sonora	Tuolumne	8/6/2007
61	California	Taft	Kern	3/4/2003
62	California	Tehachapi	Kern	4/1/2002
63	California	Tulare	Tulare	2/17/2009
64	California	Turlock	Stanislaus	12/8/2009

65	California	Tustin	Orange	5/20/2008
66	California	Victorville	San Bernardino	7/18/2006
67	California	Villa Park	Orange	11/4/2008
68	California	Wasco	Kern	4/16/2002
69	California	Waterford	Stanislaus	10/7/2010
70	California	Weed	Siskiyou	12/11/2008
71	California	Westminster	Orange	7/11/2007
72	California	Yorba Linda	Orange	9/16/2008

California "Yes Vote" Cities - 72

State of Georgia



	<i>State</i>	<i>City</i>	<i>County</i>	<i>Date Approved</i>
1	Georgia	County of Berrian	Berrian	10/12/2010
2	Georgia	Lenox	Cook	10/11/2010
3	Georgia	Omega	Tift	10/05/2010
4	Georgia	Sycamore	Turner	9/9/2010
5	Georgia	Tifton	Tift	9/13/2010
6	Georgia	Tyty	Tift	9/7/2010

Georgia "Yes Vote" Cities - 6

State of Michigan



	<i>State</i>	<i>City</i>	<i>County</i>	<i>Date Approved</i>
1	Michigan	Village of Sparta	Kent	9/14/2009

Michigan "Yes Vote" Cities - 1

State of Minnesota



	<i>State</i>	<i>City</i>	<i>County</i>	<i>Date Approved</i>
1	Minnesota	Elk River	Sherburne	

Minnesota "Yes Vote" Cities - 1

State of Oklahoma



	<i>State</i>	<i>City</i>	<i>County</i>	<i>Date Approved</i>
1	Oklahoma	Chouteau	Mayes	7/13/2009
2	Oklahoma	Oaks	Delaware	7/13/2009
3	Oklahoma	Ottawa	Blue Jacket	6/8/2009

Oklahoma "Yes Vote" Cities - 3

State of Texas



	<i>State</i>	<i>City</i>	<i>County</i>	<i>Date Approved</i>
1	Texas	Breckenridge	Stephens	10/5/2009

Texas "Yes Vote" Cities - 1

146 "Yes Vote" cities across AMERICA!!!!

CAPITAL OFFICE

P.O. Box 276600 • Sacramento, CA 95827
916.857.6900 • FAX 916.857.6902

SOUTHERN CALIFORNIA OFFICE

P.O. Box 11630 • Santa Ana, CA 92711
714.796.7150 • FAX 714.796.7182

SF BAY AREA OFFICE

212-9th Street • Oakland, CA 94607
510.834.7232 • FAX 510.834.8784



PACIFIC JUSTICE INSTITUTE

EDWIN MEESE, III, ESQ.
*Former Attorney General
Advisory Board Chairman*

BRAD W. DACUS, ESQ.
President

KEVIN T. SNIDER, ESQ.
Chief Counsel

Jacquie Sullivan
Founder/President
In God We Trust -- America, Inc.
Bakersfield, California

Re: "In God We Trust" Displays

Dear Ms. Sullivan,

It has come to our attention that your organization is promoting displays throughout the nation commemorating the national motto, "In God We Trust." We are writing to offer our perspective on this important issue, and also to offer our representation at no charge should any government entities which approve the displays encounter any legal opposition.

By way of introduction, Pacific Justice Institute is a nonprofit organization which specializes in defending religious liberty, including our nation's religious heritage. PJI is currently an intervener/defendant which, alongside the U.S. Department of Justice, is providing the legal defense in *Newdow v. Lefevre*, a lawsuit challenging the inclusion of the national motto on our nation's currency.

As you may have heard, the federal Ninth Circuit Court of Appeals unanimously agreed with our position that the motto is constitutional. In its decision filed March 11, 2010, the Ninth Circuit explained that displaying such a venerable reminder of our national heritage and identity as the national motto is unquestionably constitutional.

The Ninth Circuit's ruling follows every other court and judge in the nation that has considered the national motto, including the following:

- *Lambeth v. Bd. of Comm'rs of Davidson County*, 407 F.3d 266 (4th Cir. 2005), held a county board's decision to authorize inscription of "In God We Trust" on facade of county government center did not constitute a violation of the Establishment Clause.
- *Schmidt v. Cline*, 127 F.Supp.2d 1169 (D. Kan. 2000), held constitutional the placement in a county building of posters bearing the motto. The court relied on a previous Tenth Circuit decision finding that the motto has a secular purpose akin to Justice O'Connor's well-known references to "ceremonial deism".
- *Myers v. Loudoun County School Bd.*, 251 F. Supp. 2d 1262 (E.D. Va. 2003), upheld as constitutional a school's implementation of a state statute requiring schools to post the national motto in every public school building.

Pacific Justice Institute
Page 1 of 2, Letter to In God We Trust America
June 4, 2010

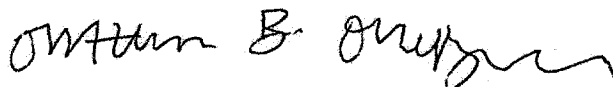
"Raising the Torch of Justice for Our Civil Liberties"
www.pacificjustice.org

- Numerous Supreme Court decisions and opinions of individual justices have pointed to the national motto as an example of constitutionality, *see, e.g. Wooley v. Maynard*, 430 U.S. 705, 717, n.15 (1977); *Lynch v. Donnelly*, 465 U.S. 668, 693 (1984); *County of Allegheny v. ACLU*, 492 U.S. 573, 602-3 (1989); *Stone v. Graham*, 449 U.S. 39, 45 (1980) (Rehnquist, J., concurring); *School Dist. of Abington Twp. v. Schempp*, 374 U.S. 203, 303 (1963) (Brennan, J. concurring); *Marsh v. Chambers*, 463 U.S. 783, 818 (1983) (Brennan, J. dissenting); *Santa Fe Indep. Sch. Dist. v. Doe*, 530 U.S. 290, 322-323 (2000) (Rehnquist, C.J. dissenting); *Van Orden v. Perry*, 125 S.Ct. 2854, 2879 (2005) (Stevens, J. dissenting); *McCreary County v. ACLU*, 125 S.Ct. 2722, 2750 (2005) (Scalia, J. dissenting).

As the foregoing cases attest, numerous legal authorities at all levels of the federal judiciary and throughout the country support displaying the national motto in a public setting.

In conclusion, the Pacific Justice Institute would like to commend your organization for promoting the national motto, and to assure you that under applicable case law, such recognitions are clearly constitutional. Should any government entity receive legal threats from those who oppose even innocuous acknowledgements of religion in public life, the Pacific Justice Institute would be honored to defend them at no charge in state or federal court. To take advantage of this offer, or if you have any other questions about this important issue, please do not hesitate to contact Pacific Justice Institute at either (916) 857-6900 (Northern California office), (510) 834-7232 (Bay Area Office), (714) 796-7150 (Southern California office), or via our website at www.pji.org.

Sincerely,



Matthew B. McReynolds
Staff Attorney
PACIFIC JUSTICE INSTITUTE

The History of the National Motto “In God We Trust”

- In September of 1814, during the British bombardment of Fort McHenry, Francis Scott Key composed the poem *The Star Spangled Banner*, of which the last line of the second and final stanza is, “and this be our Motto, in God be our Trust.”
- In 1861, Chief Justice Chase of the Supreme Court wrote the following in a letter to the director of the U.S. Mint: “No nation can be strong except in the strength of God, or safe except in His defense. The trust of our people in God should be declared on our national coins.”
- In 1866, Congress enacted legislation authorizing the inscription of the phrase “In God We Trust” to be placed on certain coins.
- In 1931, Congress passed the act officially designating the composition of the words and music of the *The Star Spangled Banner* as our National Anthem.
- In 1954, during the Dwight D. Eisenhower Administration, Congress approved the words “Under God” to be added to our Pledge of Allegiance. In our pledge, the United States is described as “One Nation under God.”
- In 1955, Congress mandated the inscription of “In God We Trust” on all coins and paper currency.
- In 1956, during the Eisenhower Administration, Congress and the Supreme Court voted in favor of declaring “In God We Trust” as the national motto of the United States.
- The United States Code itself contains religious references. For example, Congress has directed the President to “...set aside and proclaim a suitable day each year as a National Day of Prayer, on which the people of the United States may turn to God in prayer and meditation at churches, in groups, and as individuals.”
- Our National Motto, “In God We Trust,” is prominently engraved on the wall above the Speaker’s dais in the Chamber of the House of Representatives and is reproduced on every coin minted and every dollar printed by the Federal Government.
- Our Judicial Branch acknowledges the central role of religion in our society. All federal courts open sessions requesting that “God save the United States and this honorable Court.”
- The Ten Commandments are posted in the U.S. Supreme Court Chambers directly above the bench where the nine Supreme Court Justices sit.

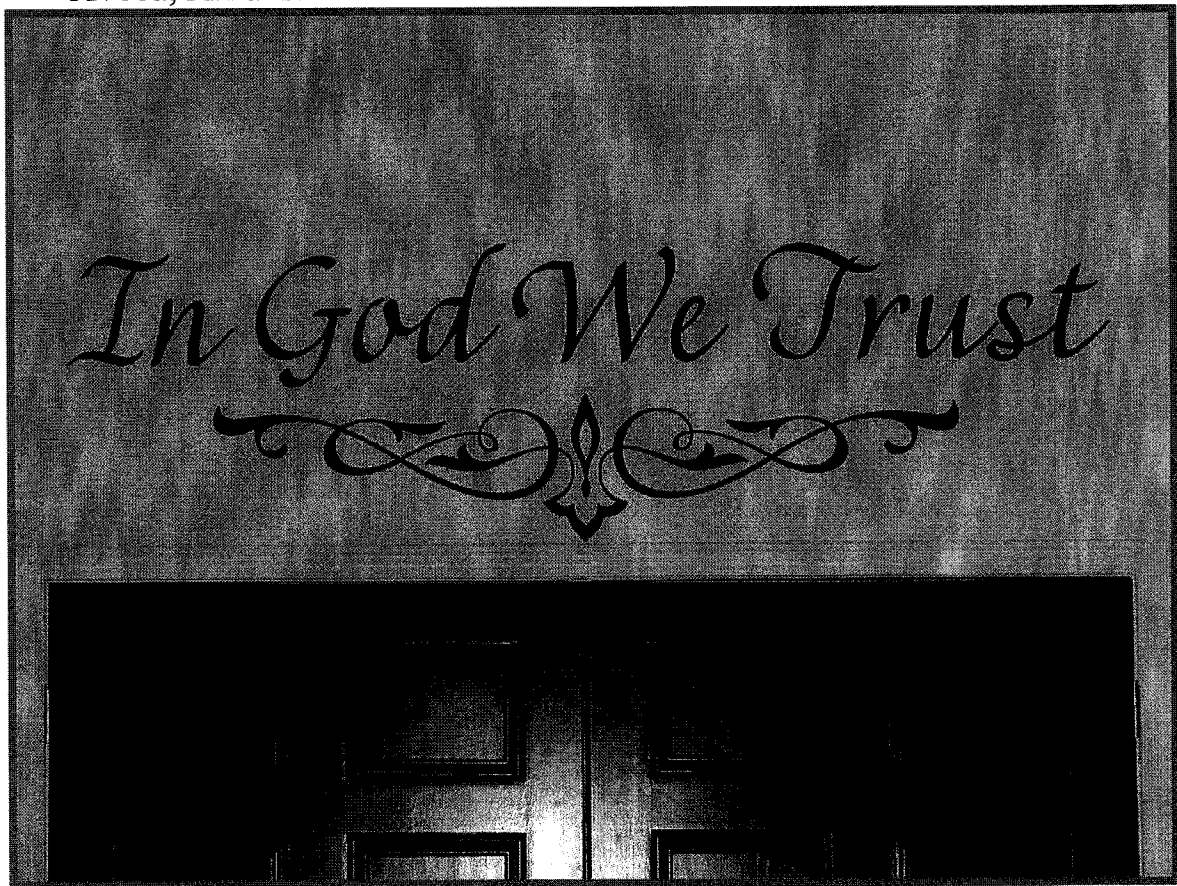


Two Beautiful Displays in Arkansas

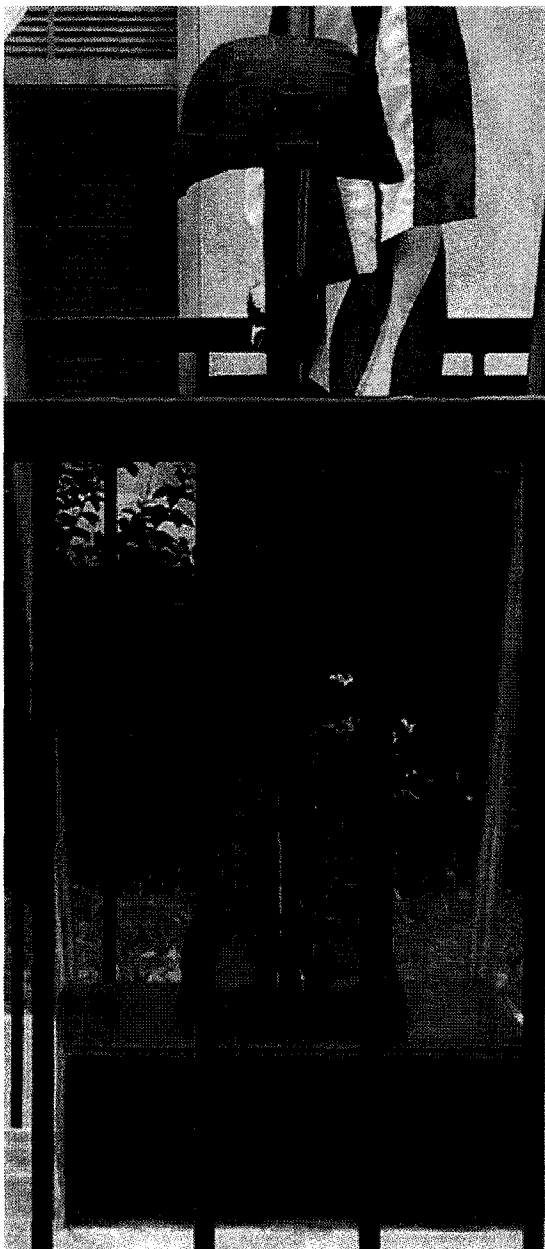
Bay, Arkansas



Avoca, Arkansas

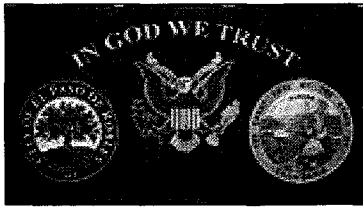


Pictures from Avoca, Arkansas



**Beautiful In God We Trust Plaque
and Veterans Memorial in Avoca.
Please visit the Avoca City Page at:
[http://www.ingodwetrust-
arkansas.org/AvocaAR.html](http://www.ingodwetrust-arkansas.org/AvocaAR.html)**

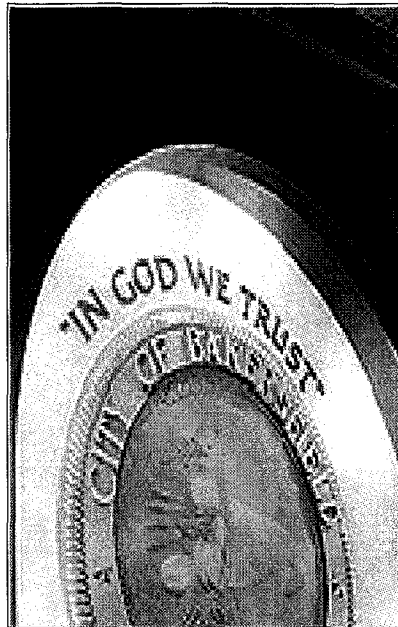
National Motto Displays – In the City Hall of some of our “Yes” Cities.



Paso Robles, CA



Compton, CA



Bakersfield, CA



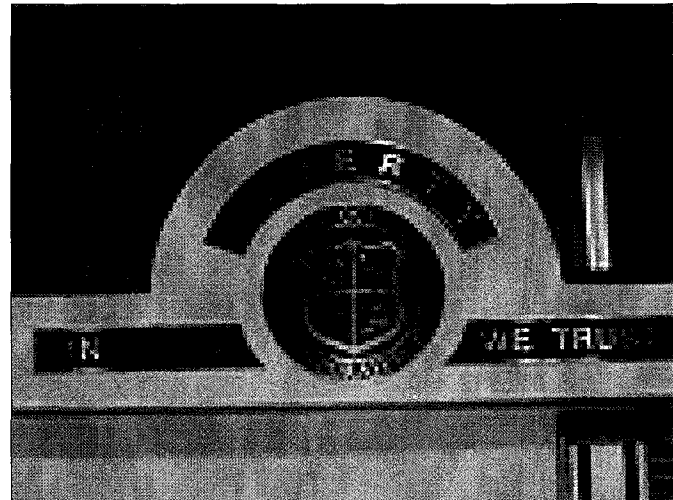
Wasco, CA



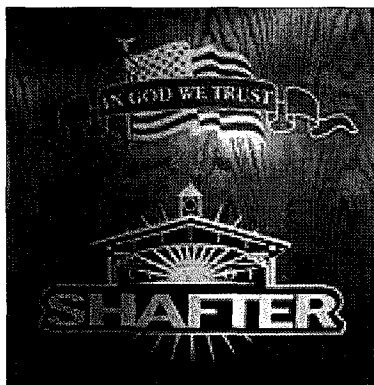
Porterville, CA



Lodi, CA



Oceanside, CA



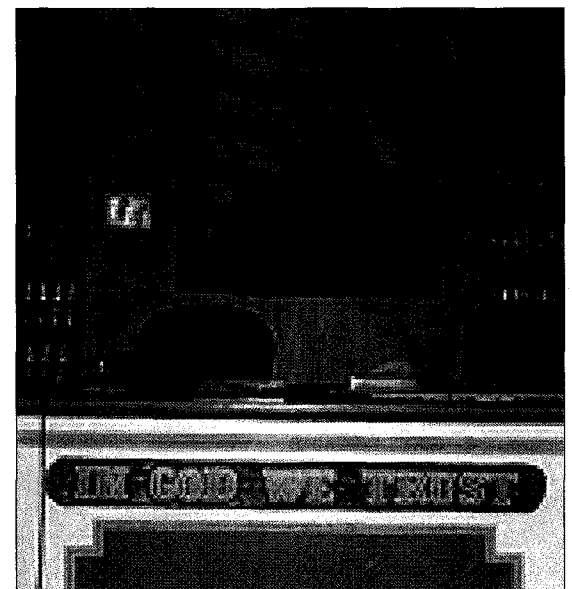
Shafter, CA

"In God We Trust"

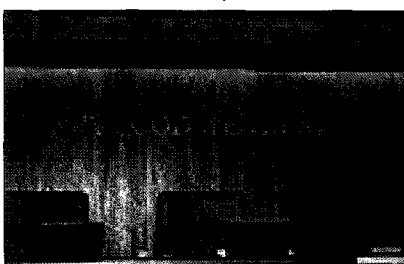


*Service Builds
Tomorrow's Progress*

Artesia, CA

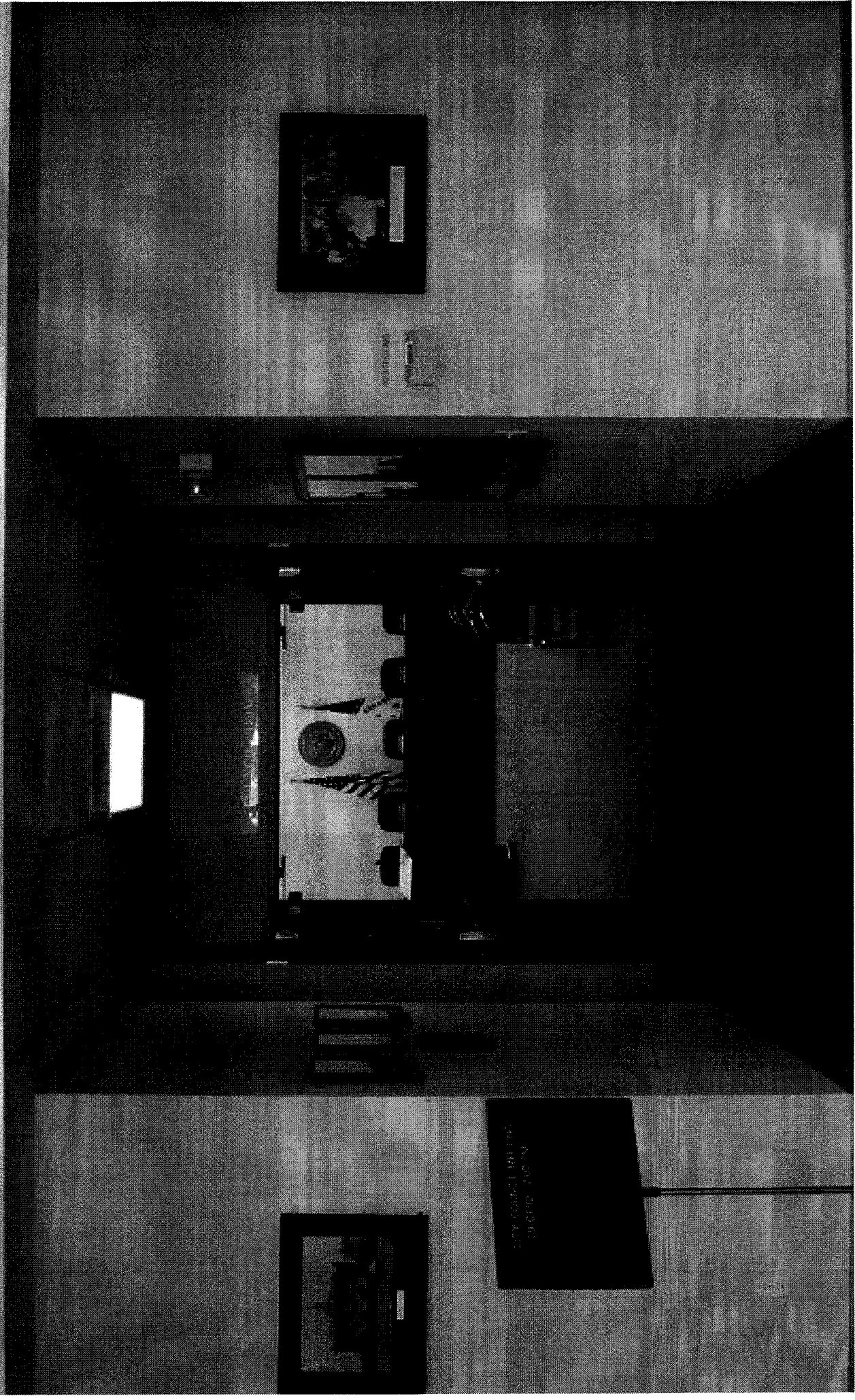


Amador, CA



Carson City, CA

IN GOD WE TRUST





Economic Impact (Study Report)



January 6, 2011
Dr. Lee McPheters
Arizona State University



Airport Impact Measures

- **Spending/Revenues**
- **Earnings to Workers and
Income to Proprietors**
- **Employment Supported**
- **Public Sector Revenues**



Sources of Airport Impacts





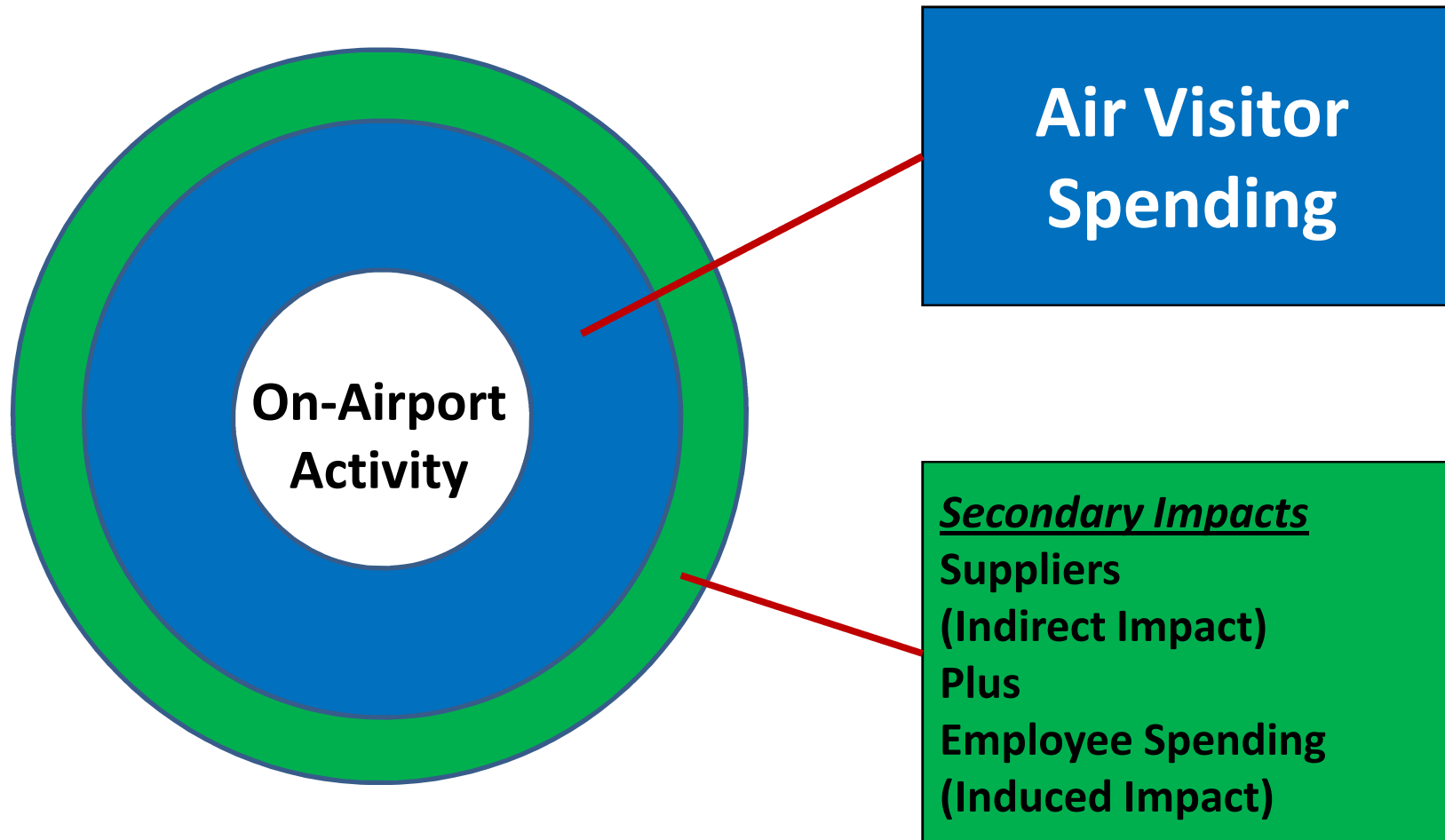
Sources of Airport Impacts



**Air Visitor
Spending**



Sources of Airport Impacts





Sources of Airport Impacts

Primary Impacts



On - Airport



Air Visitors

Secondary Impacts

**Multiplier
Effects**

**Total
Economic
Impact**





On Airport Employment

- **110 FTE Jobs On the Airport**
- **\$3.5 Million Wages & Salaries**
- **Administration, Operations**
- **Passenger Services, Auto Rental**
- **FBO & Ramp Services**
- **Public Safety, TSA, Tower**



On Airport Economic Impact

Impact	Payroll	Jobs
Primary Impact	\$3,525,000	110
Secondary Impact	2,221,000	122
Total Impact	\$5,746,000	232

- Source: IMPLAN input-output model based on data from U. S. Bureau of Economic Analysis and Missouri Department of Econ. Development



Visitor Impact Parameters

- **Number of Deplanements (91,732)**
- **Number of Visitors (57,292)**
- **Length of Stay**
- **Spending Per Trip (Person/Party)**
- **Spending by Category**

*** Deplanements and Visitors Are Estimated**



Overall Vs. Air BKG Visitors

Source: CVB / Branson Visitor Profile YTD November

Characteristics	Overall	Air/BKG
1 st Time Visitor	26.5%	57.5%
Length of Stay	4.06	5.04
Rented Auto	8.1%	89.3%
Spending/Trip	\$861	\$1,201



Overall Vs. Air BKG Visitors

Source: CVB / Branson Visitor Profile YTD November

Characteristics	Overall	Air/BKG
Flew Past 2 Yrs	39.3%	86.3%
Attractive Airfare	\$105	\$174
Saw 5+ Shows	28.4%	42.6%
Trip “Excellent”	54.0%	59.5%



In-Terminal Visitor Survey

Preliminary Only – Not For Distribution

- **840 Responses in Fall 2010**
- **Avg. Party Spending \$1,381**
- **Avg. Party Size 2.2 Persons**
- **26,042 Travel Parties in 2010**
- **Spend: \$35,964,000 (Preliminary)**



In-Terminal Visitor Survey

Preliminary Only – Not For Distribution

\$35,964,000 Air Visitor Spending

- **Lodging (\$10,595,000)**
- **Food (\$6,901,000)**
- **Entertainment (\$7,031,000)**
- **Retail (\$5,990,000)**
- **Auto Rental/Van (\$5,547,000)**



Air Visitor Impact (Preliminary)

Visitor Impact	Payroll	Jobs
Primary Impact	\$9,732,000	513
Secondary Impact	7,142,000	228
Total Impact	\$16,874,000	741

- Source: IMPLAN input-output model based on data from U. S. Bureau of Economic Analysis and Missouri Department of Econ. Development



Air Visitor Fiscal Impact

Preliminary Only – Not For Distribution

Source	Revenue
State Sales Tax	\$1,519,479
County Sales Tax	656,344
Branson Sales Tax	539,460
Branson TCED Tax	120,281
Branson Tourism Tax	735,556
Total Taxes	\$3,571,120



Tax Revenue Per Air Visitor

Preliminary Only – Not For Distribution

Source	Per Air Visitor
State Sales Tax	\$26.52
County Sales Tax	11.46
Branson Sales Tax	9.42
Branson TCED Tax	2.10
Branson Tourism Tax	12.84
Total Taxes Per Visitor	\$62.34



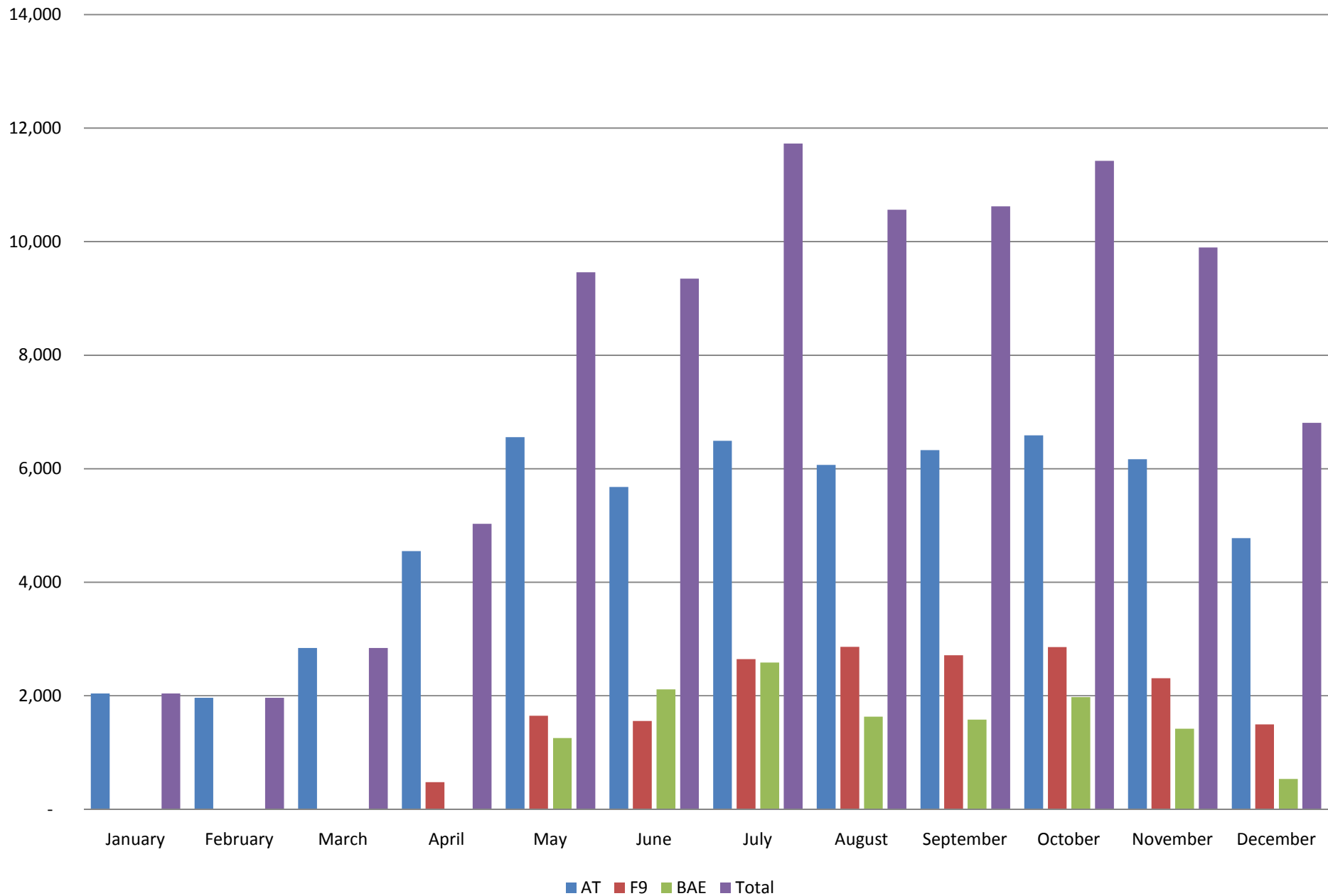
Improvements For Survey

Preliminary Only – Not For Distribution

- **Need Stratified Sample Over Year**
- **More Face-to-Face Data Collection**
- **Dollar Amounts Instead of Ranges**
- **Clarify “Travel Party”**
- **Branson Visitors vs. Others**

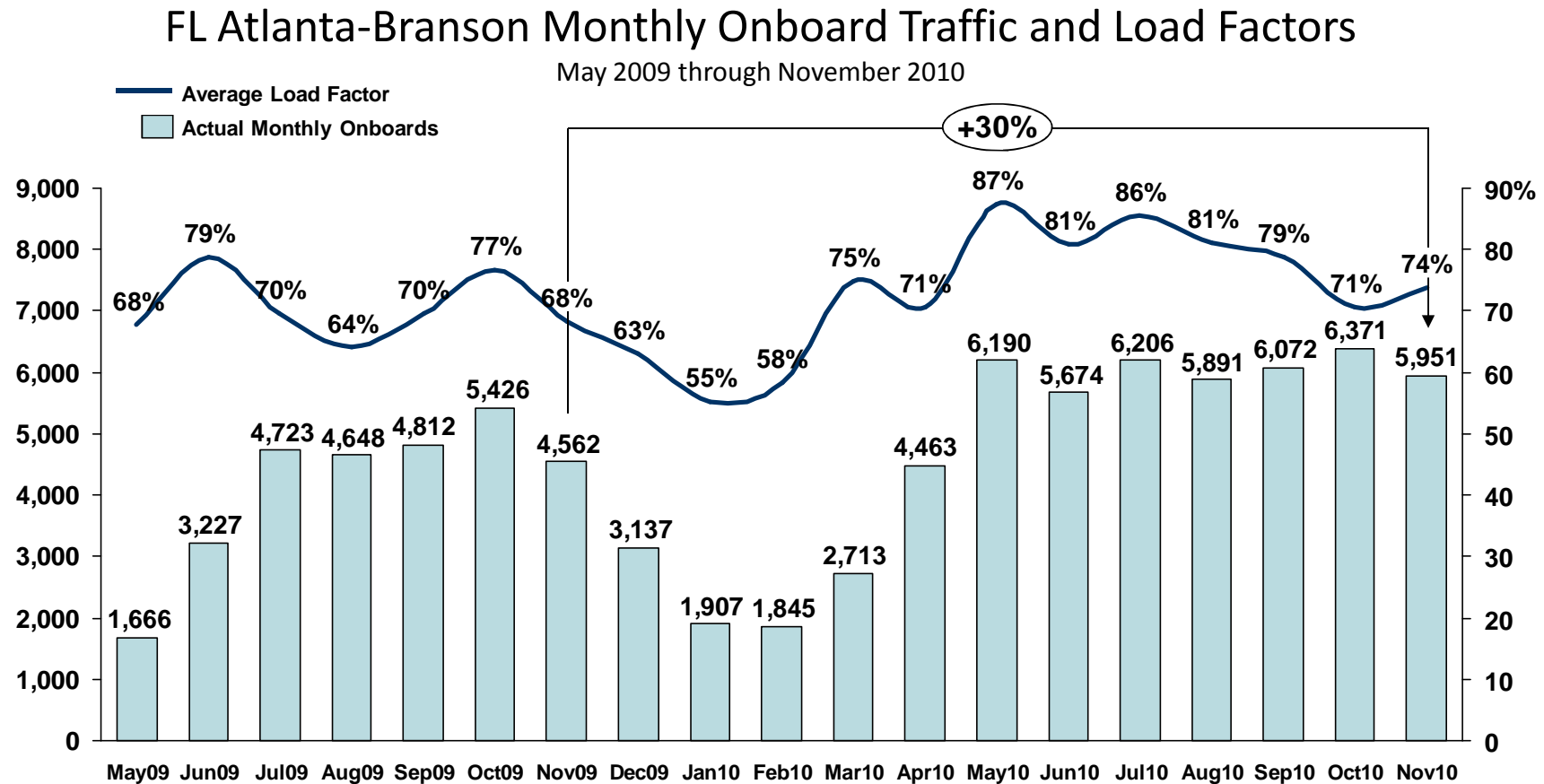
2010 Deplanements by Month

Total 91,732 - Estimated



Branson Monthly Traffic – BKG to ATL

...Mainly as a result of ATL-BKG traffic increases in 2010 versus 2009

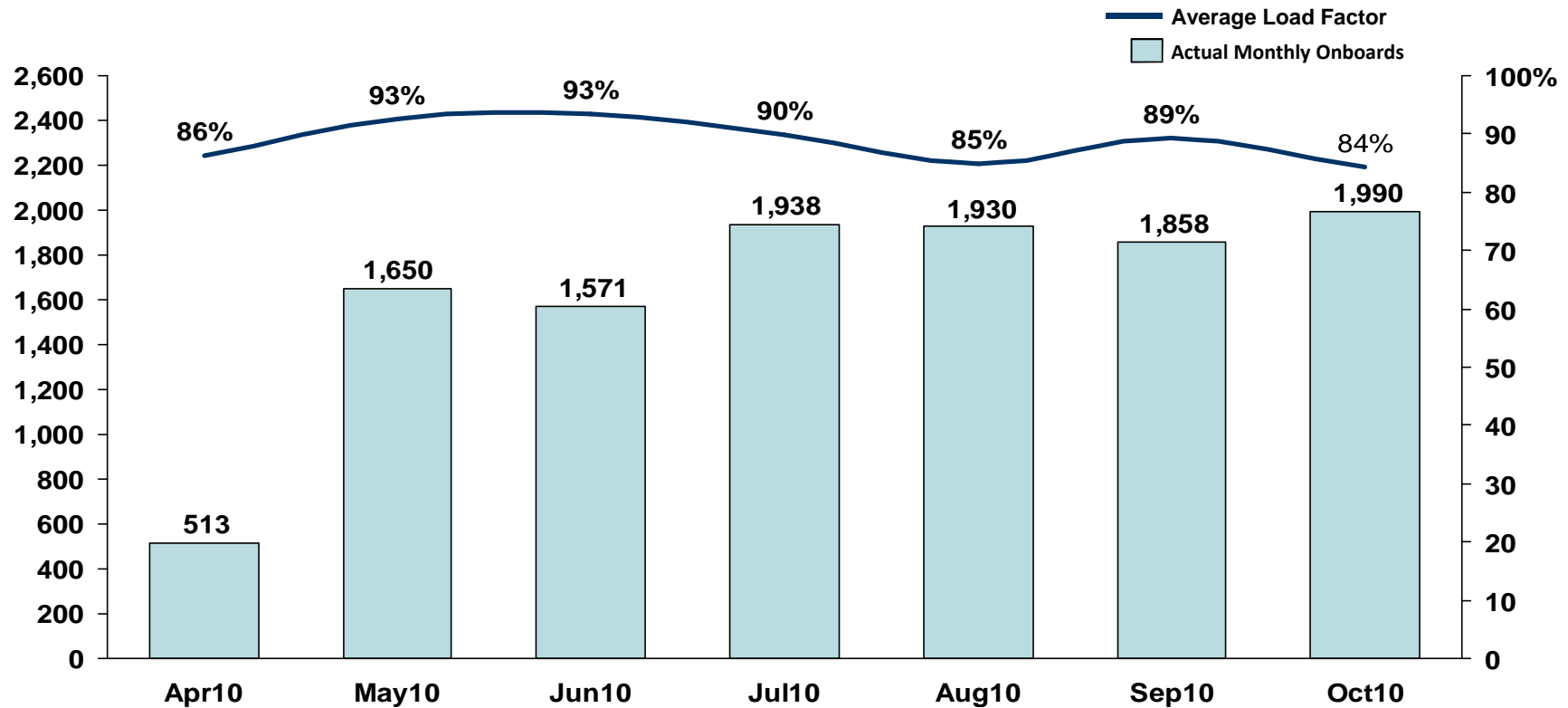


Branson Monthly Traffic – BKG to DEN

Demand for new Frontier DEN service is exceptionally strong...

F9 Denver-Branson Monthly Onboard Traffic and Load Factors

Inception through October 2010





Economic Impact (Study Report)



January 6, 2011
Dr. Lee McPheters
Arizona State University

Biographical Information

Lee R. McPheters
W. P. Carey School of Business
Arizona State University
Tempe, AZ 85287 – 4011
480 - 965 - 5462

Lee R. McPheters is Research Professor of Economics in the W. P. Carey School of Business at Arizona State University. Dr. McPheters has taught courses in regional economics at the undergraduate and graduate level, and his research focuses on applications of economic theory and models to public policy and economic development issues for metropolitan areas and states.

His recent research has emphasized transportation studies, with support from various public and corporate sources including the U. S. Department of Transportation and many state and local government transportation agencies and airports. During the past two decades, Dr. McPheters has developed economic benefit analyses for more than 40 airports, from Portland International Jetport in Maine to Palm Springs International Airport in California. His analysis of the economic impact of Phoenix Sky Harbor Airport was cited by the Federal Aviation Administration in the tutorial white paper on *Estimating the Regional Economic Significance of Airports*, distributed by the FAA.

His writings on regional economic issues have been quoted in the Wall Street Journal, USA Today, The Economist, The Christian Science Monitor, The New York Times, and Newsweek as well as major metropolitan area newspapers throughout the nation. He has appeared nationally on National Public Radio, Good Morning America and CNN news, commenting on economic development topics.

Dr. McPheters has published numerous articles in books and professional journals including the Review of Economics and Statistics, Land Economics, the National Tax Journal, and Journal of Long Range Planning, and he has been named a Distinguished Faculty Researcher in the business school at Arizona State University.

Dr. McPheters completed his undergraduate studies at San Francisco State University and received his Ph.D. from Virginia Tech.

January 6, 2011

Study Session

Item 9

Introducing...



DR. MICHAEL K. HYNES - ATP, CFI, A&P/IA

.....a dynamic individual who obtained his education in New York, New Jersey, Florida and Oklahoma. He has received awards such as "Outstanding Individual in Aviation in Palm Beach County", Lakeland Jaycees' "Outstanding Young Man of the Year", National Marketing Award DECA; "Governor's Award for Exporting" and the Federal Aviation Administration's **CHARLES TAYLOR MASTER MECHANIC AWARD** and the **WRIGHT BROTHERS MASTER PILOT AWARD**; elected to represent the State of Oklahoma at the "President's White House Conference on Small Business". He has been Chairman, Tillman County Election Board; Director and President of the Air Line Pilot's Union, Mutual Aid Association; a Judge for the US and World Helicopter Championships; Director of Aviation Research, instructor, and a member of the Western Oklahoma State College Aviation Advisory Board for 20 years; professor at Embry Riddle Aeronautical University and Southern Nazarene University's Graduate Schools; Director of Technical Aviation Education for the College of the Ozarks (HARD WORK U); member of the National Forensic Center Advisory Board; a founder of the National Expert Witness Society; mediator for the State of Oklahoma Supreme Court, US Department of Agriculture and US Postal Service, and in the State of Missouri; past Special Education Hearing Officer for the State of Oklahoma, Department of Education.

Mike has been married to Jane Matous for over 50 years. They have six children and eleven grandchildren who have already been recognized for their own outstanding achievements. Mike and Jane are very active and hold leadership positions at local and state levels, in church, civic, and professional organizations.

CALL- 888-335-5754 (24 hrs & automatic FAX) **E-mail:** hynesdrm@aviationonly.com

EXPERIENCE

AVIATION SAFETY AUDITS and RESEARCH---DR. HYNES has been completing Air Carrier Safety audits in the US and South America since the 1970s. He was Director of Aviation Research at Western Oklahoma State College for 20 years and has conducted research on management, quality control, manufacturing, training, labor, financial and safety issues, and published papers and made presentations on his findings for the Federal Aviation Administration, US Army, Air Force, and other organizations.

MEDIATION and ARBITRATION---DR. HYNES has been trained by and conducted mediation and arbitration for the US Department of Agriculture, the US Postal Service, the Oklahoma State Supreme Court and in Missouri for approximately 30 years. His experience includes union, EEOC, employment, business and contract disputes, regulation enforcement, family, divorce, and child custody issues.

FLIGHT OPERATIONS and PILOTING---DR. HYNES has over 16,500 flight hours as pilot in command and as a professional pilot, including engineering test flights, air carrier, and corporate aviation. He was a FAA Designated Pilot Examiner for 25 years and gave 800 exams to pilots from 38 countries. He holds all FAA pilot licenses and has flown 310 makes and/or models of aircraft from Piper Cubs to airline jets, sea planes, gliders, and 42 models of rotorcraft. He has owned and commercially operated gliders, seaplanes, landplanes and helicopters under FAA Parts 91, 133, 135, 141, and Part 121 Air Carrier. The FAA awarded DR. HYNES the **WRIGHT BROTHERS MASTER PILOT AWARD** in 2009.

FINANCE and ADMINISTRATION---DR. HYNES has over 50 years experience in starting, purchasing and/or operating 20 different corporations and/or divisions of larger firms. He has completed extensive projections of costs, manpower needs, cash flows and pro-forma financial statements covering periods of high and low inflation (4% to 18%) and high and low capital costs (4% to 20% interest). He has performed this service for US and international firms and government agencies.

DESIGN and FAA TYPE CERTIFICATION---DR. HYNES has 18 years experience as an aircraft manufacturer and owner of two FAA Type Certificates. He has assisted in the design of aircraft and obtaining Type Certificates, purchasing and relocating them within and outside the US. He has designed and test flown 'Fly By Wire' artificial intelligence (AI) systems and drone/remote piloted vehicles (RPV).

MANUFACTURING and SERVICE---DR. HYNES has 50 years experience in service and high-tech manufacturing using EDM, WaterJet, and CNC equipment. His ability to plan, organize, measure, lead and control has proven very successful in a variety of aviation, medical devices, computers, and underwater machinery industries. These activities have covered manpower needs, learning curves, facility construction, critical path analysis, machinery and equipment purchasing and time charts.

MAINTENANCE and SERVICING---DR. HYNES began his aviation career in the US Air Force where he became an aircraft mechanic and inspector. He holds an FAA Airframe Mechanic and Powerplant Certificate and has held an FAA Inspection Authorization for 25 years. He has secured FAA Part 145 Repair Station Certificates as a manufacturer's service facility and as a FAA Type Certificate holder. The FAA awarded DR. HYNES the **CHARLES TAYLOR MASTER MECHANIC AWARD** in 2007.

EDUCATION---DR. HYNES has managed or founded several FAA Part 61 and 141 Pilot or Part 147 Mechanic schools, some of which had VA approved status. He has designed vocational rehabilitation programs for State agencies and insurance firms. He served on the Board of Advisors for Western Oklahoma State College in addition to performing consulting tasks for other institutions of higher learning. He has taught high school, adult Career and Technical Education, Southern Nazarene University's MBA School (finance), and Embry Riddle Aeronautical University Graduate school (aviation law and accident investigation), and several Western Oklahoma State College undergraduate courses. He was Director of Aviation Education at The College of the Ozarks, **HARD WORK U.**

MARKETING and DISTRIBUTION---DR. HYNES has worked in and studied both US and International marketing and distribution systems, with special emphasis on the aircraft industry for over 25 years. He has experience on both sides of the distribution system as a dealer and manufacturer. He has conducted in-depth studies and marketing programs for several firms and products while transacting business with clients from 42 different countries and traveling to 27 countries.

**A TRUE MEASURE OF SUCCESS IS...
THE REPEATABILITY OF HIGH ACHIEVEMENTS**

DR. HYNES HAS BEEN LISTED IN:

Who's Who Among College Students in America
Above It All: Profiles of American Aviators
Who's Who in Finance and Industry

Who's Who in the Southwest
Men of Achievement
Oxford's Who's Who

and many others.

DEGREES-LICENSES-CERTIFICATES

Edd Higher Education Administration, Aviation
and Aerospace College-OSU, Oklahoma

MLS Social Law and Education-OU, Oklahoma

BS Aviation Technology-TESC, New Jersey

AS Business Administration-PCC, Florida

AA Marketing-PCC, Florida

AS Aviation Management-WOSC, Oklahoma

AA Airport Management-WOSC, Oklahoma

Certified Mediator by the
Oklahoma Supreme Court
US Department of Agriculture
US Postal Service
and in the State of Missouri
Family, Divorce, and child custody
Special Education Hearing Officer, Oklahoma

Department of Transportation
Aviation Safety Program Manager (ASPM)
Aviation Safety Program Auditor
Risk Management "TRAIN the TRAINER"

25 years as FAA Designated Pilot Examiner
Airplanes & Helicopters, Airline Transport,
Flight Instructors, Commercial, Instruments

Airline Transport Pilot
Airplanes, Helicopters, and Gyroplane

Flight Instructor
Single and Multi-engine airplanes,
Rotorcraft-Helicopters and Gyroplanes
Instrument-Airplanes and Helicopters

Commercial Pilot
Single and Multi-engine Sea Planes
Single engine land, Gliders

FAA Mechanic-Airframe and Powerplant
FAA Inspector Authorization (30 years)
for Major Alterations and Repairs

FAA Aviation Safety Counselor

FAA Ground Instructor-Advanced

AFFILIATIONS

Aeronautical Repair Station Association
Aircraft Owners and Pilots Association
American Association of Airport Executives
American Bar Association
American Helicopter Society
American Society for Aerospace Education
Association of Independent Airmen
Association of Missouri Mediators
Aviation and Space writer's Association
Aviation Safety Institute
Experimental Aircraft Association
Frederick Chamber of Commerce-Director
Frederick YMCA-Founder and Director
Helicopter Association International
Helicopter Club of America (Charter Member)
International Society Air Safety Investigators
Lawyer Pilots Bar Association
National Aeronautic Association
National Association of Flight Instructors

Oklahoma Academy Mediators and Arbitrators
Popular Rotorcraft Association
Royal Aeronautical Society (UK)
SAE International
Sea Plane Pilots Association
Soaring Society of America
Society of Flight Test Engineers
Society of Professional Pilots
Society of Senior Aerospace Executives
Twirly Birds - Pioneer Helicopter Pilots
University Aviation Association
US DOT-FAA - Aviation Safety Counselor
US Dpt. of Agriculture - Mediator
US Dpt. of Commerce: Dir. Dist. Export Council
US Dpt. of Justice - Litigation Advisor
US Dpt. of Labor: Dir. Private Industry Council
US Postal Service - Mediator
USAF Capt. CAP - Check Pilot and Instructor
World Aerospace Education Association

CALL- 888-335-5754 (24 hrs & automatic FAX) E-mail: hynesdrm@aviationonly.com

PUBLIC SPEAKER.....DR. MICHAEL K. HYNES has made over 500 presentations in major cities throughout the United States, Europe, and South America. He has spoken to audiences that have consisted of both general and special interest groups. He has conducted programs and seminars for colleges, industry associations, and government agencies such as the US Army and the FAA. He has also appeared on the ABC, CBS, CNN, FOX, and NBC networks, and has been quoted in major news media such as The Wall Street Journal, USA TODAY, and the Seattle Times. Some of the topics were:

AVIATION SAFETY and EDUCATION
ACCIDENT INVESTIGATION and LITIGATION
HELICOPTER HISTORY and FUTURE TRENDS
FINANCE and BUSINESS ADMINISTRATION

AVIATION MANUFACTURING/MARKETING
PRODUCT LIABILITY and AVIATION LAW
MINORITIES and WOMEN IN AVIATION
CAREER and TECHNICAL EDUCATION

WRITER.....DR. MICHAEL K. HYNES was first published in 1960. Since that time he authored two books and over 100 items published in national and international papers and magazines. Two of his articles were selected as "Outstanding Aviation Writing, Past 25 Years" by Rotor and Wing. One of his books was a Helicopter Pilot Training Manual. Some of the subjects of his publications have been:

ACCIDENT INVESTIGATION and LITIGATION
AIRCRAFT DESIGN and PRODUCT LIABILITY
AVIATION MANUFACTURING PROFIT and LOSS
PILOT CERTIFICATION and FLIGHT TRAINING

AIRLINE MANAGEMENT of FLIGHT SAFETY
AVIATION MARKETING
AVIATION HUMAN FACTOR ISSUES
AVIATION REGULATIONS

CONSULTANT.....DR. MICHAEL K. HYNES has over 30 years experience as a paid professional consultant, mediator and/or arbitrator. Some of the areas that he has worked in are:

AVIATION SAFETY

- Air Carrier Audits
- Operations Safety Research
- Accident investigation
- Accident reconstruction
- Management and Human factor issues
- Regulation enforcement
- Regulation writing

BUSINESS and FINANCE

- New operation start-up programs
- Salvage and turn-around programs
- Forecasting, Marketing and Finance
- Policy Manuals, Personnel selection
- Employment and Union issues
- Regulation enforcement (EEOC)
- Contract disputes

MEDIATION and ARBITRATION

- Business and Contract disputes
- Labor and union issues
- Regulation enforcement (EEOC, FAA)
- Family, Divorce and Child Custody
- Community and organizational disputes

AIRPORT MANAGEMENT

- Site Selection, Land Values, Zoning
- Design, Environment Studies
- Market Needs, Expansion Plans
- Operations, Compliance, Security
- Leases and Contracts

MANUFACTURING and SERVICE

- Airplanes and helicopters
- Aircraft simulation development
- Air Carrier start-ups and operations
- FBO, FAA Schools and Repair Stations
- Paper products and Furniture industries

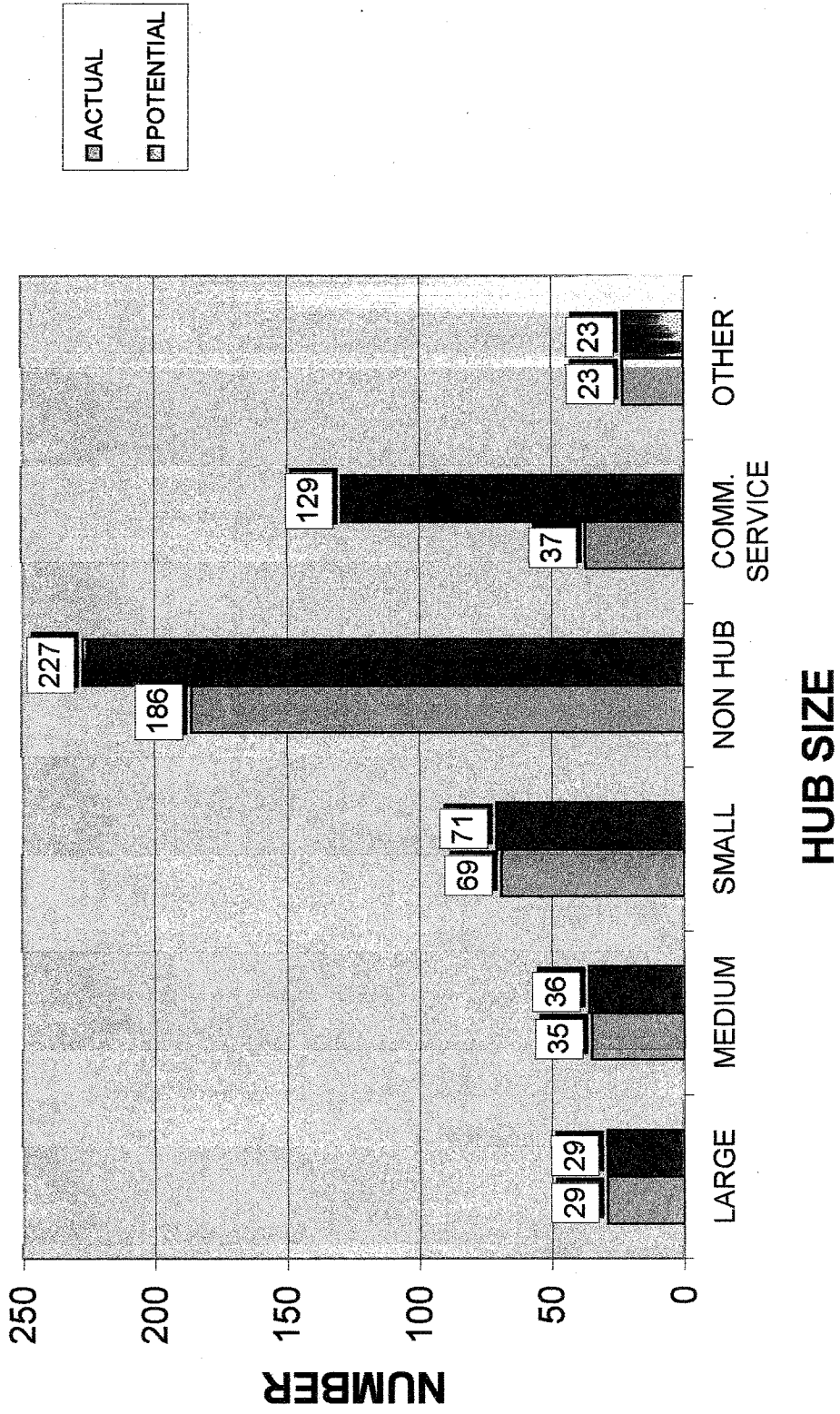
EDUCATION

- Curriculum development
- Knowledge based testing
- Teaching vs. learning
- Pilot certification standards
- FAA and VA Approved Schools

FOR MORE INFORMATION CONTACT: DR. MICHAEL K. HYNES

888-335-5754 (24 hours and automatic FAX)
or **E-mail:** hynesdrm@aviationonly.com

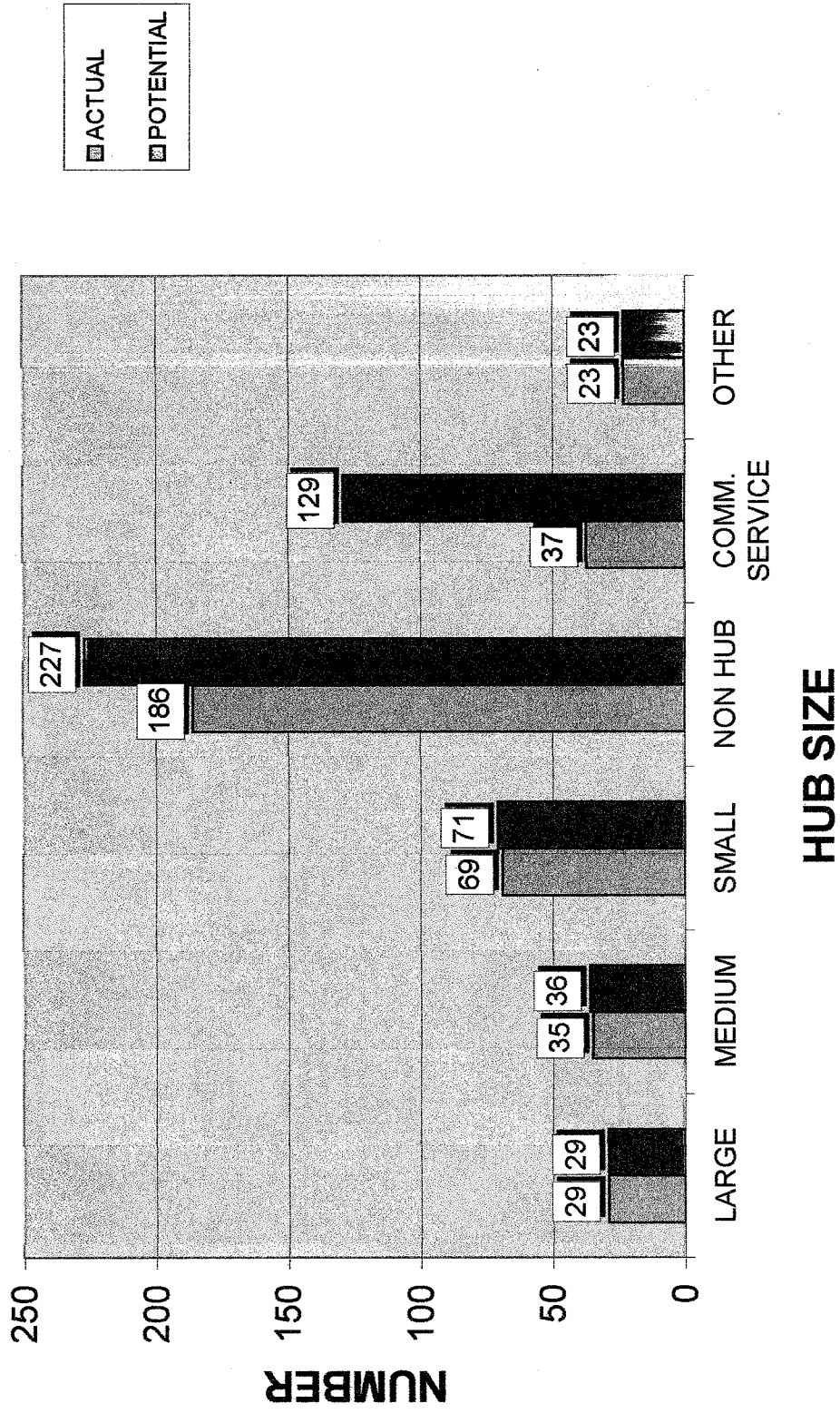
PFC APPLICATIONS PER HUB SIZE



SOURCE: FAA PFC BRANCH

October 31, 2010

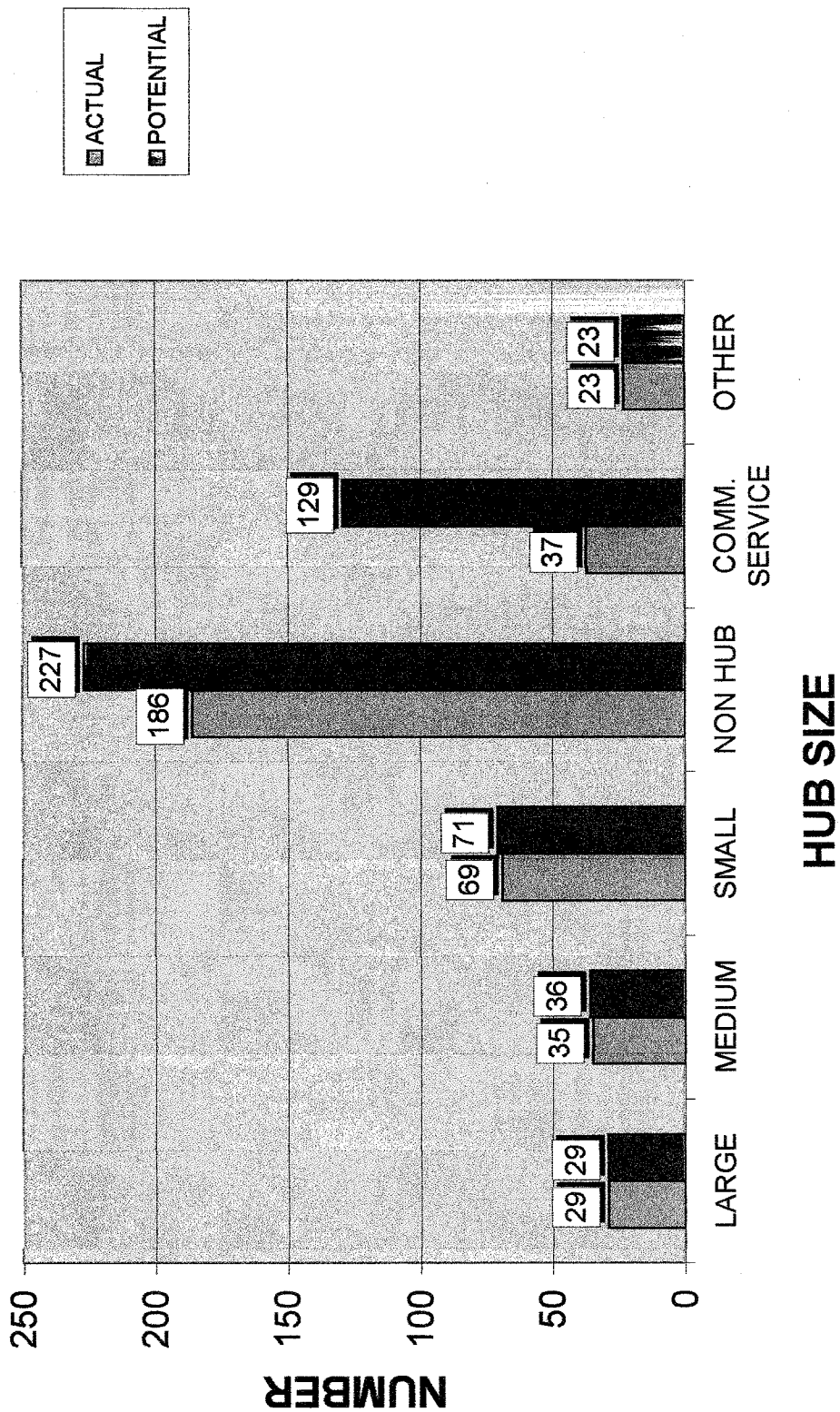
PFC APPLICATIONS PER HUB SIZE



SOURCE: FAA PFC BRANCH

October 31, 2010

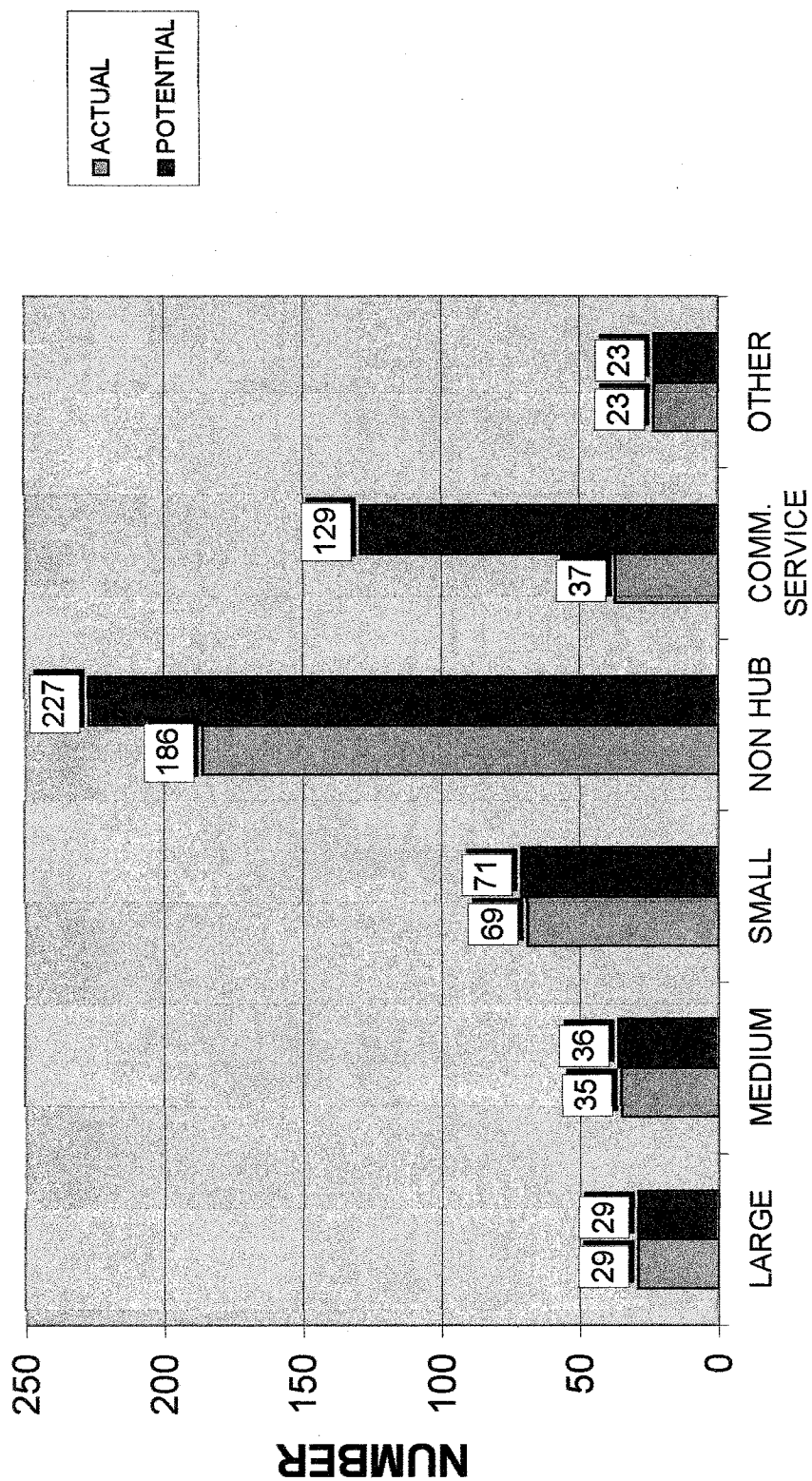
PFC APPLICATIONS PER HUB SIZE



SOURCE: FAA PFC BRANCH

October 31, 2010

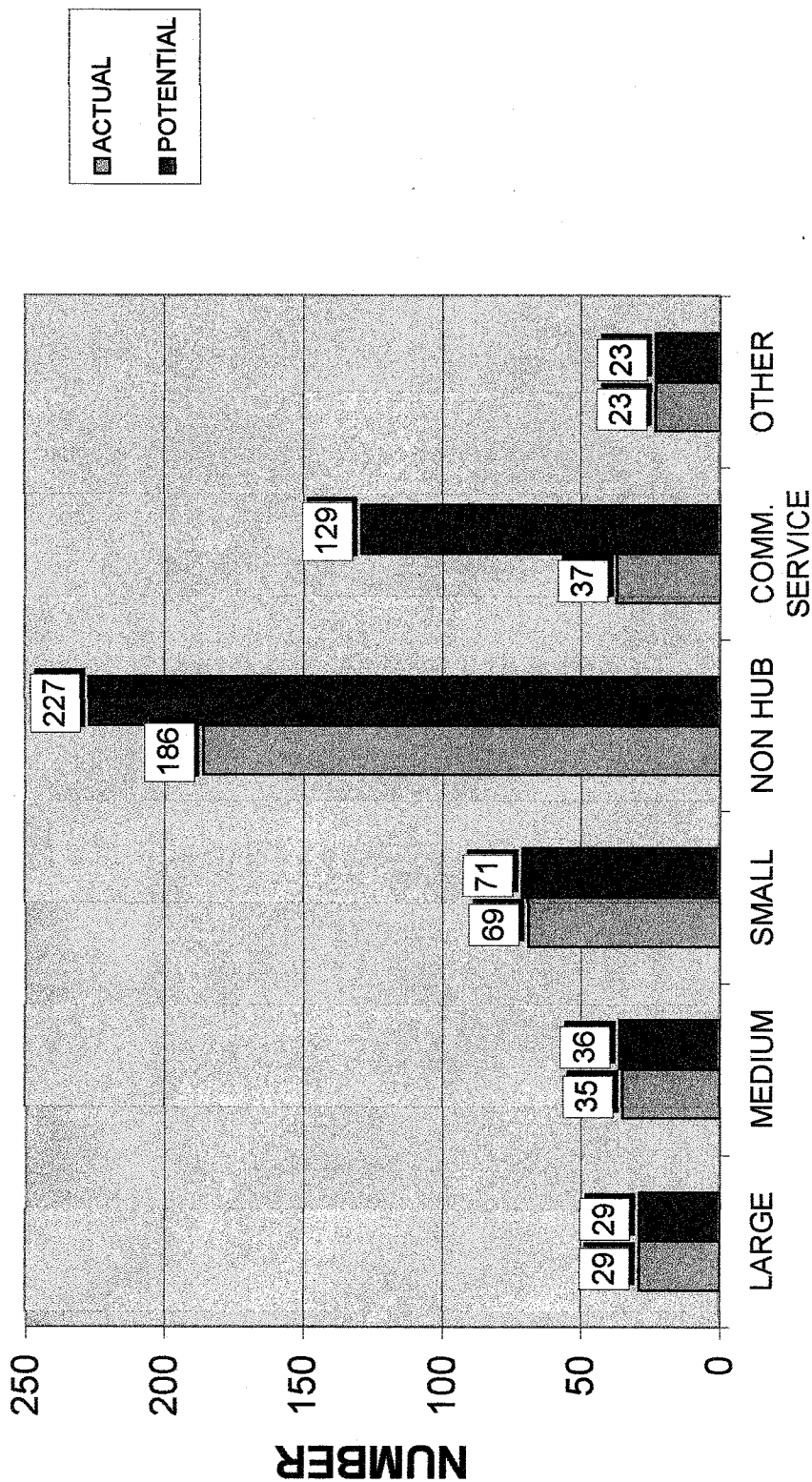
PFC APPLICATIONS PER HUB SIZE



SOURCE: FAA PFC BRANCH

October 31, 2010

PFC APPLICATIONS PER HUB SIZE



SOURCE: FAA PFC BRANCH

October 31, 2010

DR. MICHAEL K. HYNES

President and Director of Aviation Research HYNES AVIATION SERVICES
a division of *HYNES AVIATION INDUSTRIES, INC.*
1002 Cliff Drive, Branson, MO 65616-2611
Phone: 417.335.5759 FAX: 417.334.8627 Email: hynesdrm@aviationonly.com

TO: The City of Branson Aldermen
FIRM: **CITY OF BRANSON**

DATE: 11/22/2010

Re: AVIATION EXPERT OPINIONS
Funding for the Branson Regional Airport
from tax funds of the City of Branson

First of all I want to thank you for not funding any monies to the Branson Regional Airport within the upcoming year's budget.

I am a strong supporter of private enterprise, entrepreneurship, and I am also very pro aviation. I hold a college degree in aviation management. Over the past 50 years I have managed several airports and have been a paid consultant in airport development programs similar to the Branson Regional Airport.

I have also been designated as an Aviation Expert by many Courts, in and outside of the US. To do so, I must be fair and consistent when giving opinions about aviation matters.

On two past occasions I have made presentations to the City at meetings such as this in support of aviation related matters. I am happy to say that on each occasion my comments had been found to be helpful and the City made decisions in line with my recommendations.

I also feel that the existence of the Branson Regional Airport is good for our community and I strongly support its growth and financial prosperity. I am not aware of anyone that does not want this airport to be a great commercial success.

As a resident and real estate investor in Branson, I am impacted by the actions of the City. Because of these facts and my background and expertise in aviation, I feel I have an obligation to present to you another viewpoint to support your existing concerns about the City using tax funds to subsidize a third party commercial activity such as the Branson Regional Airport.

Over 18 months ago, the City received an in-depth report and legal opinion on this question.¹ This report was very clear and concluded that the City should not be transferring tax funds, either directly or indirectly, to the Branson Regional Airport.

Subsequent to receiving that legal opinion, the City has spent over \$100,000 seeking second opinions about the same legal issues.²

While it is unfortunate that such large sums of tax payer money had to be spent for these legal opinions, considering the total legal ramifications of what the City is being asked to do by the Branson Regional Airport, that is transferring up to 60 million dollars to a commercial business to help their profit margins, spending taxpayer money for these legal opinions was a necessary and wise action.

¹ Remarks on the Constitutional Implications of the Pay for Performance agreement between Branson Airport, LLC and the City of Branson, Timothy Davis, Esq., 5 February 2009.

² The public records of the City of Branson.

However, if the City now takes steps to transfer tax dollars, directly or indirectly, to the Branson Regional Airport, it appears that the money spent to obtain these two important legal opinions has been wasted.

If the City does transfer tax dollars to the Branson Airport at this time, it would not be unreasonable to see the City needing to spend funds for legal representation in the future. The two legal opinions that the City has paid for warned the City of a high probability of future legal action by taxpayers, to not only stop the transfer of tax funds to the airport, but to also recover any funds already transferred.

It is my expert opinion that the City should not transfer any tax funds, directly or indirectly, to the Branson Regional Airport. The least the City should do is delay any such transfer of funds until the issue of the legality of such tax funding transfer is resolved.

What harm is there if the transfer of funds to the Branson Regional Airport is delayed while these important legal issues are being resolved?

At worst case, the City might be obligated to pay interest on the value of the funds not being transferred at this time.

What impact, if any, will the non-receipt of funds from the City of Branson have on the day to day operations of the Branson Regional Airport?

As best as can be determined, there should not be any adverse impact on the operation of the Branson Regional Airport if tax payer funds are not transferred to the airport at this time.

The total of the airport construction bond issue exceed the airport construction costs by \$26 million. The excess funds earned some \$2.5 million interest in the last three years.³ The UMB Bank, acting as the trustee for the holders of the airport bonds, has a reserve of \$3.2 million to meet future bond interest payments.⁴ In addition to these funds, "the airport held total debt service reserves of \$15.8 million at the end of the second quarter on June 30 (2010)."⁵

This is not the time or place to go into extensive discussion about the background or current financial status of the Branson Regional Airport. However, some facts that support my concerns as an aviation expert and those of many Branson residents including myself need to be mentioned. They are:

1. The original airport Offering Statement for the sale of its bonds was not realistic. In this important and legal document, "the company (airport management) believed 180,000 travelers would use the airport in 2009 and that number was projected to rise to 275,000 in 2010."⁶

In view of the fact that there were only 39,000 passengers in 2009 and in 2010 the passenger count is expected to be less than 76,000 passengers, the Offering Statement projections appear to have been overstated by approximately 460%.⁷

³ Financial reports of The Branson Missouri Regional Airport Transportation Development District.

⁴ The Bond Buyer, August 4, 2010.

⁵ Id.

⁶ Id.

⁷ Actual traffic reports from the Branson Regional Airport.

2. The financial projections contained in the Offering Statement also appear to have been grossly overstated. For example, airport management stated that "Airport revenues were expected to provide 1.4 times debt-service coverage."⁸ This was a projection of some \$11.2 million in profits⁹ where as, in the first six months of 2010, the airport was reported to have a loss of \$2.2 million.¹⁰ This is a 13.4 million dollar miscalculation.
3. "Filings with the Municipal Securities Rulemaking Board show that the airport expected \$12.3 million in revenue for 2010, but recorded only about \$600,000 for the first three months of the year."¹¹ This is a shortfall of about \$10 million, 80% below their projected goal as stated in the Offering Statement.

The Branson Regional Airport is a multi-million dollar business venture that was undertaken for the purpose of making money for its investors and operators.¹² The construction of this airport was started to capitalize on the name and fame of the City of Branson **more so than it being a key factor to promote Branson in the future.**

Steven Peet, the CEO of Branson Airport LLC stated "Branson is heartland USA" and that justified the decision to build the airport in the Branson area.¹³

Glen Patch, a major real estate investor in the Branson area reportedly purchased between 8,000 and 11,000 acres of land south of Branson. To maximize on the profit potential for his investment he said he, "had enough land that I could put up for the airport, and with my real estate holdings around the airport, I just thought it would be good for business."¹⁴ Patch knew an airport would be good for business and good for the value of his land.¹⁵

Patch sold 922 acres of his land, about 10%, to the Branson Airport LLC "for a very reasonable price" (but at an alleged considerable profit) stating, "I decided I would make my money on the turn around from business the airport would bring to the area."¹⁶

Patch's objective was shared by Peet who stated, "Taking money off the airport is not an issue for us. This happens to be an airport, but this is a for-profit business and we expect to make money."¹⁷

The history of the development of the Branson Regional Airport has been very complex.¹⁸ There have been many different private individuals, corporate entities, and three government agencies connected with the formation and opening of this airport.¹⁹

⁸ Id.

⁹ Based on a debt service on at least \$116.8 million in bonds.

¹⁰ The Bond Buyer, August 4, 2010.

¹¹ MUNI BOND WATCH, July 27, 2010.

¹² Statements of Glen Patch and Steven Peet.

¹³ ARN

¹⁴ Id.

¹⁵ 417 Magazine, July 2008, PROJECT RUNWAY, page 117

¹⁶ Id, page 16.

¹⁷ Id.

¹⁸ Public records related to the Branson Regional Airport.

¹⁹ G.E.P., Inc., A Florida Corporation; Branson Airport, LLC, a Delaware limited liability company, Branson Land, LLC, Taney County, The Branson Missouri Regional Airport Transportation Development District, the City of Branson, and numerous other private investors such as Patch and Peet.

From time to time these parties have had common and/or conflicting interests. To reach their unique goal of financing and tax avoidance, additional complex legal steps were taken. A recap of the transactions that took place is: (Show power point slide.)

1. About 20 years ago, Patch purchased between 8,000 and 11,000 acres of land south of Branson;

On June 1, 2007, the following legal transactions took place:²⁰

2. Patch sold 922 acres of land that was located in the middle of these land holdings to Branson Airport, LLC;
3. Branson Airport LLC then sold 500 acres of this land to Branson Land LLC and sold and conveyed fee title to the remaining 422 acres to Taney County, Missouri. The 422 acres are now known as the "Airport Property" and are now "**public land**" which must be properly governed and managed by Taney County;
4. Taney County, by an Airport Lease, leased the Airport Property to The Branson, Missouri, Regional Airport Transportation Development District for 99 years;²¹

However, Taney County still has a legal obligation to oversee the Airport Property.

The Branson, Missouri, Regional Airport Transportation Development District, a political subdivision of the State of Missouri, with a 30 year life, was previously formed to qualify the airport construction bonds as "tax exempt". The Branson, Missouri, Regional Airport Transportation Development District issued Airport Revenue Bonds (Branson, Missouri Airport Project), Series 2007A in the aggregate principal amount of \$9,835,000 and Series 2007B in the aggregate principal amount of \$103,960,000.

The purchasers of these bonds were provided
"a secured interest in the property."²²

5. The Branson, Missouri, Regional Airport Transportation Development District leased the Airport Property to Branson Airport, LLC for 45 years using an Operating Lease Agreement.

In addition to Taney County, The Branson, Missouri, Regional Airport Transportation Development District, and the City of Branson are all subject to State laws governing business transactions dealing with public property and funds.

At the present time, there are five private corporate organizations being utilized to administer the various activities that take place on the Airport Property.²³ How these organizations exchange funds and/or charge each other for services is difficult to analyze. Such activities are often almost impossible to audit when one is attempting to learn the true profitability of each segment of airport operations.

²⁰ Public records of the transactions.

²¹ The records of Taney County which have incomplete dates.

²² The Bond Buyer

²³ BKG, Branson Land, Branson Airport Air Show, Branson Jet Center and Fly Branson Travel.

As stated previously, another step in these complex legal maneuvers was the formation of The Branson Regional Airport Transportation Development District, a government body subject to the laws of the State of Missouri.

According to Peet, "We did that so we (the Branson Regional Airport) could get tax-free bonds"²⁴ If it can be proven that there was no other public purpose or benefit for forming The Branson Regional Airport Transportation Development District, the future legal status of this government entity may be in doubt.

According to public records, Taney County signed a 99 year lease with The Branson Regional Airport Transportation Development District who then signed a 45 year Operating Lease with Branson Airport LLC to "operate" the airport.

Are these leases, of 99 and 45 years, which exceed the legal life of The Branson Regional Airport Transportation Development District, which was stated to be only 30 years, valid?

Were the 99 and 45 year leases a normal and reasonable length of time?

I have never seen airport leases with this type of length. The norm is 20 years, often with options for extensions in five year intervals.

Who else was given the opportunity to bid on these 99 and 45 year leases?

Were the lease's terms fair and fiscally correct for the tax paying citizens of Taney County?

Peet has stated, "As a private company BA (the Branson Regional Airport) intends to make a profit...and we hope to make money."²⁵ Was there a fair balance between Peet's goals and the best interests of the tax payers of Taney County?

In various publications Peet has been quoted as to how the airport will generate profits by making exclusive agreements with various firms that normally do business at an airport. Is this in conformity with "open bidding" requirements for government bodies under Missouri law?

What impact can exclusive agreements have on consumers?

~~Auto rental firm income was one source of revenue mentioned by Peet. It appears that Enterprise Rent A Car is the exclusive car rental agency at the Branson Regional Airport.~~

What impact does this exclusive agreement have on an air traveler arriving at the Branson Regional airport that needs to rent a car?

My firm has a national business account with Enterprise Rent A Car. I consider this firm as a high quality supplier of rental cars at a reasonable price.

If I rent a car for a week from Enterprise at their downtown Branson office, the lowest price they quote me is \$154.90. For the same car, if rented at the Branson Regional Airport, the price is \$197.16 plus an airport charge of \$23.66, a total of \$220.82. This \$65.92 price increase is a 40% "premium" to do business at the airport. When asked about this cost increase, the Enterprise staff told me, "That is just the way we have to do it because of our agreement with the airport."

²⁴ Id. page 16.

²⁵ Id. page 14.

Exclusive agreements are seldom good for consumers.

It is ironic that the Branson Regional airport management admitted exclusive agreements, "At any airport that takes federal funds, it is illegal to do that."²⁶

What are some of the possible long term outcomes for the Branson Regional Airport?

If the current investors find new funding and the airport continues to grow and prosper, the airport will remain in its current semi-government status and not have any need to request tax payer funding from the City of Branson.

One example of "new funding" is already well known to the management of the Branson Regional Airport. It is "passenger facility charges (PFC)."²⁷ The majority of US commercial airports, 380 locations, including 98 of the top 100 airports, have PFC programs.²⁸ (Show power-point slide.)

This potential source of revenue was confirmed by Peet when he stated that "we (the airport) can charge a 'head tax'. We're calling it an airport facility charge (AFC)".²⁹

It is interesting to note that every airport from which passengers fly into the Branson Regional Airport have PFC. The average PFC in the US is about \$4.50 per passenger and this PFC or head tax/AFC is not included in the price of the airline ticket. Charging a PFC has not shown to diminish air travel from any airport.³⁰

It is hoped that over time, new sources of income will become available to the airport. Airport management is always looking for new ways to obtain funding.

For example, one recent attempt to obtain new funding for the airport that really caught my attention was announced in a local newspaper. Its headline stated (Taney) "County agrees to purchase stretch of road leading to airport for \$2 million". (Show power-point slide.)

I am glad to say that this was not an accurate headline for the news article.

However, it is a fact that a few months ago a proposal was made by the airport management to sell the airport entrance road to Taney County.³¹ This hoped for transfer of \$2 million of tax payer funds to the airport did not take place because the County realized, after reviewing the BRANSON CREEK BOULEVARD PUBLIC ROADWAY EASEMENT DECLARATION AND AGREEMENT, that the county already had full use of the roadway.

While all of the Taney County Commissioners want to support and assist the airport in any way possible, they realize that they must adhere to sound legal and fiscal policies while doing so.³²

²⁶ 417 Magazine, quoting Branson Airports Executive Director Jeff Bourke, page 120

²⁷ Statements of Peet, as quoted in

²⁸ Federal Aviation Administration, PFC Branch, November 1, 2010.

²⁹ ARN, September 2007, latest buzz, page 16.

³⁰ Data from the Federal Aviation Administration.

³¹ The public records of Taney County.

³² Interviews with Taney County Commissioners.

It was with this same logic that the County Commissioners did not agree to consider any "pay for performance" funding for the airport when asked to do so.³³ It is unfortunate that the City of Branson did not take the same position at that time.

I could not find any other government agency-airport location that had a "pay for performance" agreement as claimed to exist between the City of Branson and the airport.

What else is also a possible outcome for the Branson Regional Airport?

In late 2009 the Branson Regional Airport Bonds were traded at 64.5 cents on the dollar. In early July they traded at 60 cents. The last reported trade was at 54 cents on the dollar.³⁴ With or without the transfer of tax funds from the City of Branson, it is highly probable that these bonds will continue to drop in value.³⁵

It is also highly probable that when these bonds reach a value of less than 25 cents on the dollar, some party may elect to purchase the bonds and then foreclose on the airport. The new owners of the airport could resell the airport to a government agency such as Taney County or the City of Branson or a newly formed Airport Authority. These government agencies could have access to federal funds from the Federal Aviation Administration to purchase the airport. The airport would then become a true "government owned" airport that was debt free and could operate in a manner consistent with all of the other municipal airports in the US.

In conclusion, it has been my intention to provide you with some new insights into the complexity of the decision you are being asked to change.

It has been suggested that City of Branson tax funds "be transferred directly to the bond trustee for debt service via The Branson Regional Airport Transportation Development District."³⁶

It is my expert opinion that this is an improper use of tax funds.

What started out as a request for funds to promote the airport has now become a clear request to subsidize the airport's debt payments which would improve its level of profitability. Why did the Branson Missouri Regional Airport Transportation Development District transfer some \$2,950,000 of its surplus funds to the Branson Airport LLC for "working Capital" in 2008?³⁷

As I stated at the opening of my remarks, I feel you were correct when you formatted next year's budget without funding for the Branson Regional Airport.

I want to thank you for taking that action.

It is my expert opinion that it would be improper to change that decision at this time.

If for some reason, one or more of you feel an obligation to transfer tax funds to the Airport, I suggest you delay doing so until the legal issues are resolved. Any funds that might be available for transfer at this time could be placed in an escrow account while this important and necessary legal activity is taking place.

³³ Taney County Commission records.

³⁴ The Bond Buyer.

³⁵ Id.

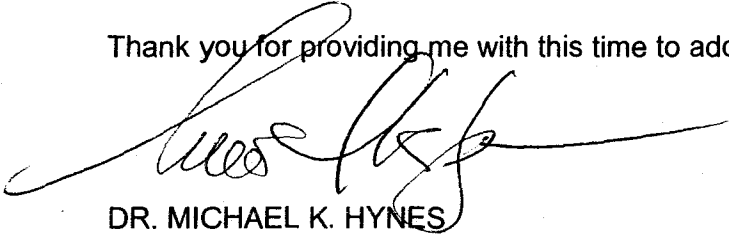
³⁶ Id.

³⁷ Financial reports of The Branson Missouri Regional Airport Transportation Development District.

If you have any questions I would be glad to attempt to answer them.

If there are some technical points that I need to check further, I will be glad to do so and provide that information to you in the near future.

Thank you for providing me with this time to address you.

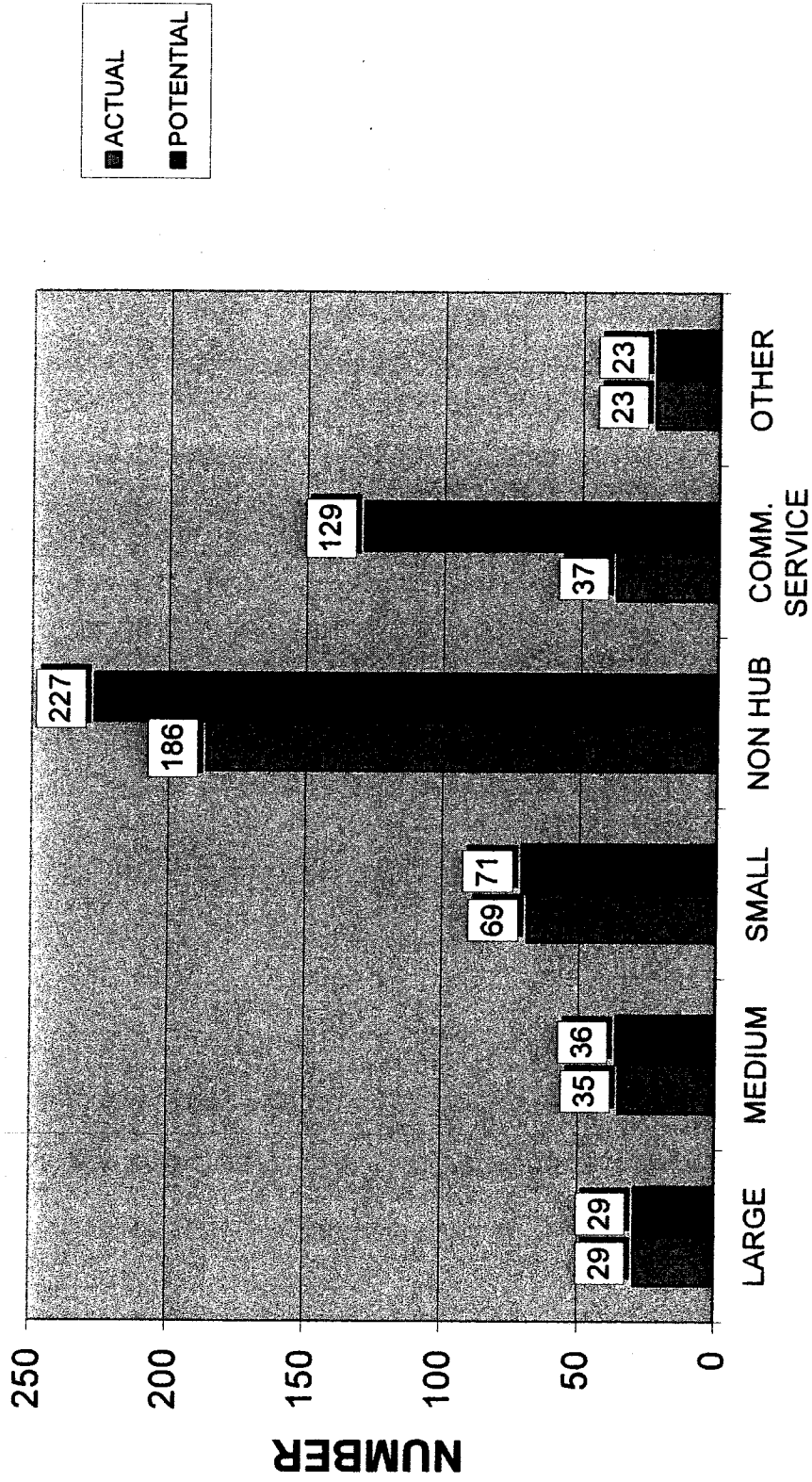
A handwritten signature in black ink, appearing to read "Michael K. Hynes", with a long horizontal flourish extending to the right.

DR. MICHAEL K. HYNES

2010/MKH/01 Ltr-HAI

*Only **death** can stop a determined person.....Even then their **worthwhile** goals will be carried out by someone else! **FORTITUDINE VINCIMUS!***

PFC APPLICATIONS PER HUB SIZE



Branson Airport, LLC
Consolidated Income Statement (unaudited)
Quarter Ending September 30, 2010

	July-September, 2010	Year-to-date 2010
Service revenues	\$ 1,780,834	\$ 3,451,088
Product revenues	<u>318,020</u>	<u>1,285,287</u>
Total revenues	2,098,854	4,736,375
Cost of sales:		
Cost of products sold	197,565	477,771
Charter operation costs	<u>-</u>	<u>1,146,930</u> (1)
Total cost of sales	<u>197,565</u>	<u>1,624,701</u>
Net revenues	1,901,289	3,111,674
Operating expenses:		
Payroll and benefits costs	631,410	1,721,459
Outside services	3,535	12,150
Professional & consulting fees	148,551	571,274
Equipment leases and repairs	99,937	309,646
Office and supplies	225,478	540,187
Marketing and promotional	515,781	1,576,596
Insurance	79,455	210,927
Travel and conventions	30,652	138,633
Other	<u>18,318</u>	<u>56,177</u>
Total operating expenses	<u>1,753,117</u>	<u>5,137,049</u> (2)
Income (Loss) from operations	148,172	(2,025,375)
Other income (expense):		
Gain from Disposal of Assets	1,285,620	1,285,620
Depreciation and amortization	(1,160,070)	(3,482,804)
Interest expense	(2,048,994)	(5,929,182)
Investment income	<u>(12,564)</u>	<u>324,780</u>
Total other expense	<u>(1,936,008)</u>	<u>(7,801,586)</u>
Net loss	<u>\$ (1,787,836)</u>	<u>\$ (9,826,961)</u>

(1) Charter operation costs represent direct operating costs of Branson AirExpress. These costs will not continue after June 30, 2010 due to FlyBranson Travel, LLC being transferred to Branson Land, LLC.

(2) Operating expenses include \$465,000 of the 3rd quarter and \$1,510,000 year-to-date of extraordinary start-up marketing expenses. Without this cost, total operating expenses year-to-date would have approximated \$3.6 million.

Branson Airport, LLC
Consolidated Balance Sheet (unaudited)
September 30, 2010

Assets

Current Assets:

Cash & cash equivalents	\$ 13,824
Accounts receivable	996,972
Prepaid expenses	119,736
Inventory	94,556
Other receivable	327,088
Total current assets	<u>1,552,176</u>

Fixed assets:

Property and equipment	117,593,037
Less accumulated depreciation	<u>(6,260,735)</u>
Net property and equipment	111,332,302

Other assets:

Bond debt service reserves	12,335,695
Restricted cash-passenger funds & other	1,462
Deposits	21,642
Capitalized financing costs	3,655,454
Discount on bonds payable	<u>2,268,442</u>
Total other assets	<u>18,282,695</u>
Total assets	<u><u>\$ 131,167,173</u></u>

Liabilities and Members' Equity

Current liabilities:

Accounts payable	\$ 1,401,637
Accrued expenses	887,055
Accrued interest payable	2,018,042
Current portion of long-term debt	556,097
Current portion of capital lease obligations	<u>172,922</u>
Total current liabilities	5,035,753

Long term liabilities:

Line of credit	1,558,320
Long-term debt	1,328,893
Notes payable with investors	8,462,737
Capital lease obligations	249,089
Capital lease obligations-TDD	<u>113,795,000</u>
Total long-term liabilities	<u>125,394,039</u>
Total liabilities	<u>130,429,792</u>

Members' equity:

Members' contributions	35,822,843
Retained losses	<u>(35,085,462)</u>
Total members' equity	<u>737,381</u>
Total liabilities and members' equity	<u><u>\$ 131,167,173</u></u>

Financial Analysis of the BRANSON AIRPORT, LLC

Quarter Ending September, 30, 2010 (not audited) – nine months/273 days

INCOME STATEMENT

Operating expenses	\$ 5,137,049
Less extraordinary start-up marketing expenses	(<u>1,510,000</u>)
Normal operating expenses (nine months/273 days)	\$ 3,627,049
Normal operating expenses per day (273 days)	\$ 13,286 per day
Cash on hand	\$ 13,824 (one day expenses)
Payables	\$ 1,401,637 (105 days expenses)
Accounts receivables (net of City of Branson, estimated)	\$ 838,972 (48 days of sales)
Sales \$4,736,375/273 days	\$ 17,349 (Gross, before costs)
Operating income (nine months/273 days)	\$ 3,111,674
Normal operating income per day (273 days)	\$ 11,398 per day
Operating Profit (Loss) per day	(1,188) per day
Interest expenses per day (estimated)	21,718 per day
Net Profit (Loss) per day	(22,907) per day
Extra funding from investors to meet Cash Flow needs	\$ 8,462,737

Funding from the City of Branson @ \$8.24 per passenger/visitor

2010 estimates	57,292 @ \$8.24	\$ 472,086
(91,732 total-57,292 visitors) daily income from City		\$ 1,293 per day
2011 estimates	109,298 @ \$8.24	\$ 900,613
(high-175,000 total-109,298 visitors) daily		\$ 2,467 per day